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金輝集團有限公司 (00137)

SHIPBUILDING CONTRACT
(Contract No.:JNS26C712)

FOR

CONSTRUCTION OF ONE 64,500 DWT BULK CARRIER

(HULL NO. JNS712)

BETWEEN

JINSHUN SHIPPING INC.

as BUYER

and

JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

as SELLER

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JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

SHIPBUILDING CONTRACT

FOR

CONSTRUCTION OF ONE 64,500 DEADWEIGHT

BULK CARRIER (HULL NO. JNS712)

This CONTRACT, entered on this 3rd day of June 2026 by and between - JINSHUN SHIPPING INC., a corporation organized and existing under the Laws of Panama, having its registered office at Banco General Tower, 19/F, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama and the business address is at 26/F., Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong as Buyer (hereinafter called the "BUYER") on one part; and JIANGMEN NANYANG SHIP ENGINEERING CO., LTD., a corporation organized and existing under the Laws of the People's Republic of China, having its registered office at Gujing 529145, Xinhui, Jiangmen City, Guangdong Province, the People's Republic of China (hereinafter called the "SELLER") on the other part.

WITNESSETH

In consideration of the mutual covenants contained herein, the SELLER agrees to build, launch, equip and complete at the SELLER's Shipyard and to sell and deliver to the BUYER after completion and successful trial one (1) about 64,500 deadweight bulk carrier as more fully described in Article I hereof, to be registered under the flag of HONG KONG and the BUYER agrees to purchase and take delivery of the aforesaid VESSEL from the SELLER and to pay for the same in accordance with the terms and conditions hereinafter set forth.

Seller's Shipyard means JIANGMEN NANYANG SHIP ENGINEERING CO., LTD. located at Gujing 529145, Xinhui, Jiangmen City, Guangdong Province and / or GUANGDONG NANYANG HEAVY INDUSTRY CO., LTD. located at Shadui 529147, Xinhui, Jiangmen City, Guangdong Province.

JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

ARTICLE I DESCRIPTION AND CLASS

1. DESCRIPTION

The VESSEL is a 64,500 metric tons deadweight Bulk Carrier, at Scantling draught, moulded of 13.50 meters (hereinafter called the "VESSEL") of the Class described below. The VESSEL shall have the SELLER's Hull No. JNS712 and shall be constructed, equipped and completed in accordance with the Specifications attached hereto as “Exhibit C” and signed by each of the parties to this Contract (hereinafter collectively called the "Specifications"), making an integral part hereof.

2. CLASS AND RULES

The VESSEL, including its machinery and equipment, shall be constructed in accordance with the rules and regulations issued and having become effective as at the date of signing this Contract of Bureau Veritas (hereinafter called the "Classification Society") and shall be distinguished in the record by the symbol of I ✠HULL ✠MACH, Bulk Carrier, CSR, CPS(WBT), ESP, GRAB[20], BC-A(Holds 2,4 May be empty), BWT, LI-HG-S2, GREEN PASSPORT Unrestricted navigation, VeriSTAR-HULL CM, AUT-UMS, MON-SHAFT, INWATERSURVEY, or equivalent and shall also comply with the rules and regulations as fully described in the Specifications.

The requirements of the authorities as fully described in the Specifications including that of the Classification Society are to include any additional rules or circulars thereof issued and become effective as at the date of signing this Contract.

The SELLER shall arrange with the Classification Society to assign a representative or representatives (hereinafter called the "Classification Surveyor") to the SELLER's Shipyard for supervision of the construction of the VESSEL.

All fees and charges incidental to Classification and to comply with the rules, regulations and requirements of this Contract as described in the Specifications issued up to the date of signing this Contract as well as royalties, if any, payable on account of the construction of the VESSEL shall be for the account of the SELLER, except as otherwise provided and agreed herein. The key plans, materials and workmanship entering into the construction of the VESSEL shall at all times be subject to inspections and tests in accordance with the rules and regulations of the Classification Society.

Decisions of the Classification Society as to compliance or noncompliance with Classification rules and regulations shall be final and binding upon the parties hereto.

3. PRINCIPAL PARTICULARS AND DIMENSIONS OF THE VESSEL

(a) Hull:

Length overall	abt. 199.90m
Length between perpendiculars	abt. 196.50m
Breadth moulded	32.26m
Depth moulded	18.90m
Scantling Draft moulded	13.50m

(b) Propelling Machinery:

The VESSEL shall be equipped, in accordance with the Specifications, with MAN B&W 6S50ME-C9.7-HPSCR EEC type Main Engine.

4. GUARANTEED SPEED

The SELLER guarantees that the sea trial speed, after correction, is to be not less than 13.5 nautical miles per hour on the trial condition stipulated in the Specification.

The trial speed shall be corrected for wind speed and shallow water effect. The correction method of the speed shall be as specified in the Specifications. The attained EEDI of the VESSEL meets the requirement of Phase 3.

5. GUARANTEED FUEL CONSUMPTION

The SELLER guarantees that the fuel oil consumption of the Main Engine is not to exceed 157.8g/kW·h (HPSCR EEC) at NCR rating of main engine on the basis of fuel net calorific value of 42,700kj/kg (10,200 kcal/kg) and ISO Standard Reference Conditions.

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6. GUARANTEED DEADWEIGHT

The SELLER guarantees that the VESSEL is to have a deadweight of not less than 64,500 metric tons at the Scantling loaded draft moulded of 13.50 meters in sea water of 1.025 specific gravity.

The term, "Deadweight", as used in this Contract, shall be as defined in the Specifications.

The actual deadweight of the VESSEL expressed in metric tons shall be based on calculations made by the SELLER and checked by the BUYER, and all measurements necessary for such calculations shall be performed in the presence of the BUYER's supervisor(s) or the party authorized by the BUYER, and Class Society representative(s) and thereafter a certificate of deadweight shall be issued by the SELLER.

Should there be any dispute between the SELLER and the BUYER in such calculations and/or measurements, the decision of the Classification Society shall be final.

7. SUBCONTRACTING

The SELLER may, at its sole discretion and responsibility, subcontract any portion of the construction work of the VESSEL to experienced subcontractors, but delivery and final assembly into the VESSEL of any such work subcontracted shall be at the SELLER's Shipyard. The SELLER shall remain responsible for such subcontracted work. BUYER shall be advised of the schedule of subcontracted works.

8. REGISTRATION

The VESSEL shall be registered by the BUYER at its own cost and expenses under the laws of HONG KONG at the time of delivery and acceptance thereof.

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ARTICLE II CONTRACT PRICE & TERMS OF PAYMENT

1. CONTRACT PRICE

The purchase price of the VESSEL is United States Dollars Thirty Four Million One Hundred and Fifty Thousand only (US$ 34,150,000), net receivable by the SELLER (hereinafter called the "Contract Price"), which include the extra cost USD 900,000 of technical memo and maker's list listed in Exhibit "C", but exclusive of the cost for the BUYER's Supplies as provided in Article V hereof, and shall be subject to upward or downward adjustment, if any, as hereinafter set forth in this Contract.

2. CURRENCY

Any and all payments by the BUYER to the SELLER under this Contract shall be made in United States Dollars. Any extras and / or deductions made between BUYER and SELLER shall also be settled in United States Dollars.

3. TERMS OF PAYMENT

The Contract Price shall be paid by the BUYER to the SELLER in installments as follows:

Business Days or Banking Days mean the days (other than Saturday and Sunday) on which banks are open in People's Republic of China, Hong Kong and New York.

(a) 1st Installment

The sum of United States Dollars Five Million One Hundred Twenty-Two Thousand Five Hundred only (US$ 5,122,500) representing fifteen percent (15%) of the Contract Price, shall become due and payable and be paid by the BUYER within five (5) Banking Days after the signing of this Contract and the SELLER shall have submitted to the BUYER the Refund Guarantee for the 1st, 2nd and 3rd installments in the form annexed hereto as "Exhibit A" issued by SELLER'S BANK.

(b) 2nd Installment

The sum of United States Dollars Five Million One Hundred Twenty-Two

Thousand Five Hundred only (US$ 5,122,500) representing fifteen percent (15%) of the Contract Price, shall become due and payable and be paid by the BUYER within five (5) Banking Days after the cutting of the first steel plate of the VESSEL in the SELLER's workshop. The SELLER shall notify with an E-mail notice to the BUYER, accompanied by a statement or certificate signed by the Class Society, stating that the first steel plate has been cut in its workshop and demand for payment of this installment.

(c) 3rd Installment

The sum of United States Dollars Three Million Four Hundred Fifteen Thousand only (US$ 3,415,000) representing ten percent (10%) of the Contract Price, shall become due and payable and be paid by the BUYER within five (5) Banking Days after the keel-laying of the VESSEL. The SELLER shall notify with an E-mail notice to the BUYER, accompanied by a statement of certificate signed by the Class Society, stating that the keel-laying has been carried out and demand for payment of this installment.

(d) 4th Installment (Payment upon Delivery of the VESSEL)
The sum of United States Dollars Twenty Million Four Hundred Ninety Thousand only (US$ 20,490,000) representing sixty percent (60%) of the Contract Price, plus any extras and/or minus any deductions due to modifications and/or adjustments of the Contract Price in accordance with provisions of the relevant Articles hereof, shall become due and payable and be paid by the BUYER to the SELLER concurrently with delivery of the VESSEL. The SELLER shall send to the BUYER an E-mail demand for this installment fourteen (14) days prior to the scheduled date of delivery of the VESSEL.

4. METHOD OF PAYMENT

(a) 1st Installment:

The BUYER shall remit the amount of this installment in accordance with Article II, Paragraph 3 (a) by telegraphic transfer to SELLER's account with the BANK nominated by the SELLER.

(b) 2nd Installment:

The BUYER shall remit the amount of this installment in accordance with Article II, Paragraph 3(b) by telegraphic transfer to SELLER's account with the BANK nominated by the SELLER.

(c) 3rd Installment:

The BUYER shall remit the amount of this installment in accordance with Article II, Paragraph 3(c) by telegraphic transfer to SELLER's account with the BANK nominated by the SELLER.

(d) 4th Installment (Payable upon delivery of the VESSEL):

The BUYER shall, at least three (3) Business Days prior to the scheduled date of delivery of the VESSEL, request BUYER's bank to make cash deposit via conditional payment (MT199) in the Bank which is nominated by the SELLER within the People's Republic of China and acceptable by the BUYER, for a period of fourteen (14) days and covering the amount of this installment (as adjusted in accordance with the provisions of this Contract), with an irrevocable instruction that the said amount shall be released to the SELLER against presentation by the SELLER to the said Bank nominated by the SELLER of a copy of the Protocol of Delivery and Acceptance signed by the BUYER's authorized representative and the SELLER's authorized representative. Interest, if any, accrued from such deposit, shall be for the benefit of the BUYER.

If the delivery of the VESSEL is not effected on or before the expiry of the aforesaid deposit period, the BUYER shall have the right to withdraw the said deposit plus accrued interest upon the expiry date. However when the newly scheduled delivery date is notified to the BUYER by the SELLER, the BUYER shall make the cash deposit in accordance with the same terms and conditions as set out above.

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5. PREPAYMENT

The BUYER shall have the right to make prepayment of any and all installments before delivery of the VESSEL, by giving to the SELLER at least thirty (30) days prior written notice, without any price adjustment of the VESSEL for such prepayment.

6. SECURITY FOR PAYMENT OF INSTALLMENTS BEFORE DELIVERY

The BUYER shall, upon signing of this Contract deliver to the SELLER a Performance Guarantee substantially in the form annexed hereto as Exhibit "B" in favour of the SELLER issued by the BUYER's intermediate holding company "Jinhui Shipping and Transportation Limited" (hereinafter called the "Payment Guarantor"). This guarantee shall secure the BUYER's obligation for the payments of all the installments as per the Contract.

Should the BUYER fail to deliver to the SELLER such Payment Guarantee within the time specified in this Paragraph, the delivery of the Vessel shall automatically be extended for a period of such delay.

7. REFUNDS

All payments made by the BUYER prior to delivery of the VESSEL shall be in the nature of advance to the SELLER, and in the event this Contract is rescinded or cancelled by the BUYER in accordance with the specific terms of this Contract permitting such rescission or cancellation, the SELLER shall refund to the BUYER in United States Dollars the full amount of all sums already paid by the BUYER to the SELLER under this Contract, together with interest (at the rate set out in respective provisions hereof) from the respective payment date(s) to the date of remittance by telegraphic transfer of such refund to the account specified by the BUYER.

As security to the BUYER, the SELLER shall deliver to the BUYER, before the payment date of the 1st installment a Refund Guarantee to be issued by a first class Chinese Bank acceptable by the BUYER for the 1st, 2nd and 3rd installments (hereinafter called "SELLER's BANK) acceptable to the BUYER and the BUYER's Bank and substantially in the form as per Exhibit "A" annexed hereto.

However, in the event of any dispute between the SELLER and the BUYER with regard to the SELLER's obligation to repay the installment or installments paid by the BUYER and to the BUYER'S right to demand payment from the SELLER, under its guarantee, and such dispute is submitted either by the SELLER or by the BUYER for arbitration in accordance with Article XIII hereof, or for appeal or appeals in accordance with the laws of England, the SELLER's bank shall withhold and defer payment until the arbitration award between the SELLER and the BUYER is published. The SELLER's bank shall not be obligated to make any payment unless the arbitration award orders the SELLER to make repayment and any right of appeal available to the SELLER under laws of England is waived or is not exercised by the SELLER in accordance with laws of England. If the SELLER fails to honour the award or judgment, then the SELLER's bank shall refund to the extent the arbitration award or any court judgment orders.

The SELLER undertakes that, in the event that any refund guarantee(s) issued pursuant to the terms of this Contract involves foreign exchange obligations, such refund guarantee(s) shall be duly registered with the State Administration of Foreign Exchange ("SAFE") and shall otherwise comply with all applicable laws and regulations of the People's Republic of China ("PRC"). The SELLER further undertakes to ensure and shall procure that the refund guarantor bank duly completes and obtains as appropriate all necessary documentation, approvals, and filings promptly and in any event within 60 days after the date of issuance of the relevant refund guarantee(s), and produces written evidence of such completion within the same 60 days period, and the SELLER further undertakes to bear any and all costs, expenses, damages or liabilities incurred or suffered by the BUYER arising out of or in connection with any failure of the SELLER to comply with SAFE requirements and any other applicable laws and regulations of the PRC.

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ARTICLE III ADJUSTMENT OF THE CONTRACT PRICE

The Contract Price of the VESSEL shall be subject to adjustments as hereinafter set forth. It is hereby understood by both parties that any reduction of the Contract Price is by way of liquidated damages and not by way of penalty.

1. DELIVERY

(a) No adjustment shall be made, and the Contract Price shall remain unchanged for the Thirty (30) days of delay in delivery of the VESSEL beyond the Delivery Date as defined in Article VII hereof ending as of twelve o'clock midnight of the Thirtieth (30th) day of delay.

(b) If the delivery of the VESSEL is delayed more than Thirty (30) days after the date as defined in Article VII hereof, then, in such event, beginning at twelve o'clock midnight of the Thirtieth (30th) day after the date on which delivery is required under this Contract, the Contract Price of the VESSEL shall be reduced by deducting therefrom the sum of United States Dollars Six Thousand (US$ 6000) per day.

Unless the parties hereto agree otherwise, the total reduction in the Contract Price shall be deducted from the final installment of the Contract Price and in any event (including the event that the BUYER consents to take the VESSEL at the later delivery date after the expiration of Two Hundred and Ten (210) days delay of delivery as described in Paragraph 1(c) of this Article) shall not be more than One Hundred and Eighty (180) days at the above specified rate of reduction after the Thirty (30) days allowance, that is United States Dollars One Million and Eighty Thousand (US$ 1,080,000) being the maximum.

(c) If the delay in the delivery of the VESSEL continues for a period of Two Hundred and Ten (210) days after the Delivery Date as defined in Article VII, then in such event, the BUYER may, at its option, rescind or cancel this Contract in accordance with the provisions of Article X of this Contract. The SELLER may at any time after the expiration of the aforementioned Two Hundred and Ten (210) days, if the BUYER has not served notice of cancellation pursuant to Article X, notify the BUYER of the date upon which the SELLER estimates the VESSEL will be ready for delivery and demand in writing that the BUYER make an election, in which case the BUYER shall, within thirty (30) days after such demand is received by the BUYER, either notify the SELLER of its decision to cancel this Contract, or consent to take delivery of the VESSEL at an agreed future date, it being understood and agreed by the parties hereto that, if the VESSEL is not delivered by such future date, the BUYER shall have the same right of cancellation upon the same terms, as hereinabove provided.

(d) For the purpose of this Article, the delivery of the VESSEL shall not be deemed delayed and the Contract Price shall not be reduced when and if the Delivery Date of the VESSEL is extended by reason of causes and provisions of Articles V, VI, XI, XII and XIII hereof. The Contract Price shall not be adjusted or reduced if the delivery of the VESSEL is delayed by reason of permissible delays as defined in Article VIII hereof.

(e) In the event that the SELLER is unable to deliver the VESSEL on the newly planned delivery date as declared, the VESSEL can, nevertheless, be delivered by the SELLER subject to BUYER'S confirmation at a date after such declared newly planned date.

In such circumstances, and for the purpose of determining the liquidated damages to the BUYER (according to the provisions of Paragraph 1(b) of this Article) and the BUYER's right to cancel or rescind this Contract (according to the provisions of Paragraph 1(c) of this Article), the newly planned delivery date declared by the SELLER shall not be in any way treated or taken as having substituted the original Delivery Date as defined in Article VII. The BUYER's aforesaid right for liquidated damages and to cancel or rescind this Contract shall be accrued, operated or exercised only to the extent as described in Paragraph 1(a), 1(b) and/or 1(c) of Article III. In whatever circumstances, the Delivery Date as defined in Article VII (not the newly planned delivery date as declared by the SELLER) shall be used to regulate, as so described in Paragraph 1 (a), 1(b) and/or 1(c) of Article III, the BUYER's right for liquidated damages and to rescind this Contract and the SELLER's liability to pay the aforesaid liquidated damages resulting from the delay in delivery of the VESSEL.

2. INSUFFICIENT SPEED

(a) The Contract Price of the VESSEL shall not be affected nor changed by reason of the actual speed (as determined by the Trial Run after correction according to the Specifications) being less than three tenths (3/10) of one knot below the guaranteed speed as specified in Paragraph 4 of Article I of this Contract.

(b) However, commencing with and including a deficiency of three tenths (3/10) of one knot in actual speed (as determined by the Trial Run after correction according to the Specifications) below the guaranteed speed as specified in Paragraph 4, Article I of this Contract, the Contract Price shall be reduced as follows:

In case of deficiency of less than 0.30 knot US$ 0.00

In case of deficiency
at or above 0.30 but below 0.40 knot US$ 62,000
at or above 0.40 but below 0.50 knot US$ 124,000
at or above 0.50 but below 0.60 knot US$ 186,000
at or above 0.60 but below 0.70 knot US$ 248,000
at or above 0.70 but below 0.80 knot US$ 310,000

(c) If the deficiency in actual speed (as determined by the Trial Run after correction according to the Specifications) of the VESSEL upon the Trial Run, is more than 0.80 knot below the guaranteed speed of 13.5 knots, then the BUYER may at its option reject the VESSEL and rescind this Contract in accordance with provisions of Article X of this Contract, or may accept the VESSEL at a reduction in the Contract Price as above provided, by United States Dollars Three Hundred Ten Thousand only (US$ 310,000) being the maximum.

3. EXCESSIVE FUEL CONSUMPTION

(a) The Contract Price of the VESSEL shall not be affected nor changed if the actual fuel consumption of the Main Engine, as determined by shop trial in manufacturer's works, as per the Specifications, is greater than the guaranteed fuel consumption as specified and required under the provisions of this Contract and the Specifications if such actual excess is equal to or less than Six percent (6%).

(b) However, if the actual fuel consumption as determined by shop trial is greater than Six percent (6%) above the guaranteed fuel consumption then, the Contract Price shall be reduced by the sum of United States Dollars Seventy Thousand (US$ 70,000) for each full one percent (1%) increase in fuel consumption in excess of the above said Six percent (6%) (fractions of one percent to be prorated).

(c) If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the guaranteed fuel consumption, the BUYER may, subject to the SELLER's right to effect alterations of corrections as specified in the following sub-paragraph of Article III 3 (c) hereof, at its option, rescind this Contract, in accordance with the provisions of Article X of this Contract or may accept the VESSEL at a reduction in the Contract Price by United States Dollars Two Hundred Eighty Thousand (US$ 280,000) being the maximum.

If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the guaranteed fuel consumption, the SELLER may investigate the cause of the non-conformity and the proper steps may promptly be taken to remedy the same and to make whatever corrections and alterations and / or re-shop trial test or tests as may be necessary to correct such non-conformity without extra cost to the BUYER. Upon completion of such alterations or corrections of such non-conformity, the SELLER shall promptly perform such further shop trials or any other tests, as may be deemed necessary to prove the fuel consumption of the Main Engine's conformity with the requirement of this Contract and the Specifications and if found to be satisfactory, give the BUYER notice by E-mail confirmed in writing of such correction and as appropriate, successful completion accompanied by copies of such results, and the BUYER shall, within six (6) business days after receipt of such notice, notify the SELLER by E-mail confirmed in writing of its acceptance or reject the re-shop trial together with the reasons and details therefor. If the BUYER fails to notify the SELLER by E-mail confirmed in writing of its acceptance or rejection of the re-shop trial together with the reasons and details therefor within six (6) Business Days period as provided herein, the BUYER shall be deemed to have accepted the shop trial.

4. DEADWEIGHT

(a) In the event that there is a deficiency in the actual deadweight of the VESSEL determined as provided in the Specifications, the Contract Price shall not be decreased if such deficiency is Five Hundred (500) metric tons or less below the guaranteed deadweight of 64,500 metric tons at assigned scantling draft.

(b) However, the Contract Price shall be decreased by the sum of United States Dollars Five Hundred (US$ 500) for each full metric ton of such deficiency being more than Five Hundred (500) metric tons.

(c) In the event that there should be a deficiency in the VESSEL's actual deadweight which exceeds One Thousand (1,000) metric tons below the guaranteed deadweight, the BUYER may, at its option, reject the VESSEL and rescind this Contract in accordance with the provisions of Article X of this Contract, or may accept the VESSEL with reduction in the Contract Price in

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the maximum amount of United States Dollars Two Hundred and Fifty Thousand (US$ 250,000).

5. EFFECT OF RESCISSION

It is expressly understood and agreed by the parties hereto that in any case as stated herein, if the BUYER rescinds this Contract pursuant to any provision under this Article, the BUYER, save its rights and remedy set out in Article X hereof, shall not be entitled to any liquidated damage or compensation whether described above or otherwise.

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ARTICLE IV SUPERVISION AND INSPECTION

1. APPOINTMENT OF THE BUYER'S SUPERVISOR

The BUYER shall send in good time to and maintain at the SELLER's Shipyard, at the BUYER's own cost and expense, one or more representative(s) who shall be duly accredited in writing by the BUYER (such representative(s) being hereinafter collectively and individually called the "Supervisor") to supervise and survey the construction by the SELLER of the VESSEL, her engines and accessories, attendance at the tests and inspections relating to the VESSEL, its machinery, equipment and outfitting and any other matter in respect of which he is specifically authorized to act on BUYER's behalf. The SELLER hereby warrants that, the necessary visa for the Supervisor to enter China will be issued in order on demand and without delay provided that the Supervisor meets with the rules, regulations and laws of the People's Republic of China. The BUYER undertakes to give the SELLER adequate notice for the application of visa.

2. COMMENTS TO PLANS AND DRAWINGS

The parties hereto shall, within Thirty (30) days after signing of this Contract, mutually agree a list of all the plans and drawings, which are to be sent to the BUYER (hereinbelow called "the LIST"). Before arrival of the Supervisor at the SELLER's Shipyard, the plans and drawings specified in the LIST shall be sent to the BUYER, and the BUYER shall, within Twenty One (21) days after receipt thereof (excluding mailing time), return such plans and drawings submitted by the SELLER with comments, if any. Notwithstanding the above, the BUYER shall nevertheless waive its right to comment on the plans and drawings if such plans and drawings have, without amendment, been previously applied to build other vessels for the BUYER or its affiliates with the same specification as that of the VESSEL.

Concurrently with the arrival of the Supervisor at the SELLER's Shipyard, the BUYER shall notify the SELLER in writing, stating the authority which the said Supervisor shall have on behalf of the BUYER.

Unless notification is given to the SELLER by the BUYER of the comments to any plans and drawings within the above designated period of time for each case, the said plans and drawings shall be implemented for construction by the SELLER.

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3. SUPERVISION AND INSPECTION BY THE SUPERVISOR

The necessary inspection of the VESSEL, its machinery, equipment and outfittings shall be carried out by the Classification Society, and/or inspection team of the SELLER throughout the entire period of construction in order to ensure that the construction of the VESSEL is duly performed in accordance with the Contract and Specifications.

The Supervisor shall have, at all times until delivery of the VESSEL, the right to attend tests according to the mutually agreed test list and inspect the VESSEL, her engines, accessories and materials at the SELLER's Shipyard, its subcontractors or any other place where work is done or materials stored in connection with the VESSEL. In the event that the Supervisor discovers any construction or material or workmanship which does not or will not conform to the requirements of this Contract and the Specifications, the Supervisor shall promptly give the SELLER a notice in writing as to such nonconformity, upon receipt of which the SELLER shall correct such nonconformity if the SELLER agrees with the BUYER. In any circumstances, the SELLER shall be entitled to proceed with the construction of the VESSEL even if there exists discrepancy in the opinion between the BUYER and the SELLER, without however prejudice to the BUYER's right for submitting the issue for determination by the Classification Society or arbitration in accordance with the provisions hereof. However the BUYER undertakes and assures the SELLER that the Supervisor shall carry out his inspections in accordance with the agreed inspection procedure and schedule and usual shipbuilding practice and in a way as to minimize any increase in building costs and delays in the construction of the VESSEL. Once a test has been witnessed and approved by the BUYER`s Representatives, the same test should not have to be repeated, provided it has been carried out in compliance with the requirements of the Classification Society and specifications.

The SELLER agrees to furnish free of charge the Supervisor with office space, and other reasonable facilities according to SELLER's practice at, or in the immediate vicinity of the SELLER's Shipyard. But the fees for the communication like telephone, telefax and telex, etc. shall be borne by the BUYER. At all times, during the construction of the VESSEL until delivery thereof, the Supervisor shall be given free and ready access to the VESSEL, her engines and accessories, and to any other place where the work is being done, or the materials are being processed or stored, in connection with the construction of the VESSEL, including the yards, workshops, stores of the SELLER, and the premises of subcontractors of the SELLER, who are doing work, or storing materials in connection with the VESSEL's construction. The travel expenses for the said access to SELLER's subcontractors outside of

Jiangmen, Guangzhou, and Zhuhai shall be at BUYER's account. The transportation in connection with VESSEL's construction within Jiangmen, Guangzhou, and Zhuhai shall be provided to the Supervisor by the SELLER.

4. LIABILITY OF THE SELLER

The Supervisor engaged by the BUYER under this Contract shall at all times be deemed to be in the employ of the BUYER. The SELLER shall be under no liability whatsoever to the BUYER, or to the Supervisor or the BUYER's employees or agents for personal injuries, including death, during the time when they, or any of them, are on the VESSEL, or within the premises of either the SELLER or its subcontractors, or are otherwise engaged in and about the construction of the VESSEL, unless, however, such personal injuries, including death, were caused by gross negligence of the SELLER, or of any of the SELLER's employees or agents or subcontractors of the SELLER. Nor shall the SELLER be under any liability whatsoever to the BUYER for damage to, or loss or destruction of property in China of the BUYER or of the Supervisor, or of the BUYER's employees or agents, unless such damage, loss or destruction was caused by gross negligence of the SELLER, or of any of the employees, or agents or subcontractors of the SELLER.

5. SALARIES AND EXPENSES

All salaries and expenses of the Supervisor, or any other employees employed by the BUYER under this Article, shall be for the BUYER's account.

6. REPORT OF PROGRESS

The BUYER is entitled to require the SELLER to report the condition of progress as to the construction of the VESSEL whenever the BUYER requires during the construction of the VESSEL.

7. REPLACEMENT OF SUPERVISOR

The SELLER has the right to request the BUYER in writing to replace any of the Supervisor who is deemed unsuitable and unsatisfactory for the proper progress of the VESSEL's construction together with reasons. The BUYER shall investigate the situation by sending its representative to the SELLER's yard, if necessary, and if the BUYER considers that such SELLER's request is justified, the BUYER shall effect the replacement as soon as conveniently arrangeable.

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ARTICLE V MODIFICATION, CHANGES AND EXTRAS

1. HOW EFFECTED

The Specifications and Plans in accordance with which the VESSEL is constructed, may be modified and/or changed at any time hereafter by written agreement of the parties hereto, provided that such modifications and/or changes or an accumulation thereof will not, in the SELLER's reasonable judgment, adversely affect the SELLER's other commitments and provided further that the BUYER shall assent to adjustment of the Contract Price, time of delivery of the VESSEL and other terms of this Contract, if any, as hereinafter provided. Subject to the above, the SELLER hereby agree to exert their best efforts to accommodate such reasonable requests by the BUYER so that the said changes and/or modifications may be made at a reasonable cost and within the shortest period of time which is reasonable and possible. Any such agreement for modifications and/or changes shall include an agreement as to the increase or decrease, if any, in the Contract Price of the VESSEL together with an agreement as to any extension or reduction in the time of delivery, providing to the SELLER additional securities satisfactory to the SELLER, or any other alterations in this Contract, or the Specifications occasioned by such modifications and/or changes. The aforementioned agreement to modify and/or to change the Specifications may be effected by an exchange of duly authenticated letters, or E-mail manifesting such agreement. The letters, and E-mail exchanged by the parties hereto pursuant to the foregoing shall constitute an amendment of the Specifications under which the VESSEL shall be built, and such letters, and E-mail shall be deemed to be incorporated into this Contract and the Specifications by reference and made a part hereof. Upon consummation of the agreement to modify and/or to change the Specifications, the SELLER shall alter the construction of the VESSEL in accordance therewith, including any additions to, or deductions from, the work to be performed in connection with such construction. If due to whatever reasons, the parties hereto shall fail to agree on the adjustment of the Contract Price or extension of time of delivery or providing additional security to the SELLER or modification of any terms of this Contract which are necessitated by such modifications and/or changes, then the SELLER shall have no obligation to comply with the BUYER's request for any modification and/or changes.

2. CHANGES IN RULES AND REGULATIONS, ETC.

(1) If, after the date of signing this Contract, any requirements as to the rules

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and regulations as specified in this Contract and the Specifications to which the construction of the VESSEL is required to conform, are altered or changed by the Classification Society or the other regulatory bodies authorized to make such alterations or changes, the SELLER and/or the BUYER, upon receipt of the notice thereof, shall transmit such information in full to each other in writing, whereupon within twenty one (21) days after receipt of the said notice by the BUYER from the SELLER or vice versa, the BUYER shall instruct the SELLER in writing as to the alterations or changes, if any, to be made in the VESSEL which the BUYER, in its sole discretion, shall decide. The SELLER shall promptly comply with such alterations or changes, if any in the construction of the VESSEL, provided that the BUYER shall first agree:

(a) As to any increase or decrease in the Contract Price of the VESSEL that is occasioned by the cost for such compliance; and/or

(b) As to any extension in the time for delivery of the VESSEL that is necessary due to such compliance; and/or

(c) As to any increase or decrease in the guaranteed deadweight and speed of the VESSEL, if such compliance results in increased or reduced deadweight and speed; and/or

(d) As to any other alterations in the terms of this Contract or of Specifications or both, if such compliance makes such alterations of the terms necessary.

Agreement as to such alterations or changes under this Paragraph shall be made in the same manner as provided above for modifications and/or changes of the Specifications and/or Plans.

(2) If, due to whatever reasons, the parties shall fail to agree on the adjustment of the Contract Price or extension of the time for delivery or increase or decrease of the guaranteed speed and deadweight or providing additional security to the SELLER or any alternation of the terms of this Contract, if any, then the SELLER shall be entitled to proceed with the construction of the VESSEL in accordance with, and the BUYER shall continue to be bound by, the terms of this Contract and Specifications without making any such alterations or changes.

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3. SUBSTITUTION OF MATERIALS AND/OR EQUIPMENT

In the event that any of the materials and/or equipment required by the Specifications or otherwise under this Contract for the construction of the VESSEL cannot be procured in time to effect delivery of the VESSEL, the SELLER may, provided the SELLER shall provide adequate evidence and the BUYER so agrees in writing, supply other materials and/or equipment of the equivalent quality, capable of meeting the requirements of the Classification Society and of the rules, regulations, requirements and recommendations with which the construction of the VESSEL must comply. Any such substitution of materials and / or equipment shall be effected at the SELLER's sale cost and expense.

4. BUYER'S SUPPLIED ITEMS

The BUYER shall deliver to the SELLER at its shipyard the items as specified in the Specifications which the BUYER shall supply on BUYER's account by the time designated by the SELLER.

Should the BUYER fail to deliver to the SELLER such items within the time specified, the delivery of the VESSEL shall automatically be extended for a period of such delay, provided such delay in delivery of the BUYER's supplied items shall affect the delivery of the VESSEL. In such event, the BUYER shall pay to the SELLER all losses and damages sustained by the SELLER due to such delay in the delivery of the BUYER's supplied items and such payment shall be made upon delivery of the VESSEL.

Furthermore, if the delay in delivery of the BUYER's supplied items should exceed fifteen (15) days, the SELLER shall be entitled to proceed with construction of the VESSEL without installation of such items in or onto the VESSEL, without prejudice to the SELLER's right hereinabove provided, and the BUYER shall accept the VESSEL so completed.

The SELLER shall be responsible for storing and handling of the BUYER's supplies as specified in the Specifications after delivery to the SELLER and shall install them on board the VESSEL at the SELLER's expenses.

Upon arrival of such shipment of the BUYER's supplied items, both parties shall undertake a joint unpacking inspection. If any damages are found to be not suitable for installation, the SELLER shall be entitled to refuse to accept the BUYER's supplied items.

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ARTICLE VI TRIALS

1. NOTICE

The BUYER and the Supervisor shall receive from the SELLER at least thirty (30) days notice in advance and seven (7) days definite notice in advance in writing or by E-mail confirmed in writing, of the time and place of the VESSEL's sea trial as described in the Specifications (hereinafter referred to as "the Trial Run") and the BUYER and the Supervisor shall promptly acknowledge receipt of such notice. The BUYER's representatives and/or the Supervisor shall be on board the VESSEL to witness such Trial Run, and to check upon the performance of the VESSEL during the same. Failure of the BUYER's representatives to be present at the Trial Run of the VESSEL, after due notice to the BUYER and the Supervisor as provided above, shall have the effect to extend the date for delivery of the VESSEL by the period of delay caused by such failure to be present. However, if the Trial Run is delayed more than seven (7) days by reason of the failure of the BUYER's representatives to be present after receipt of due notice as provided above, then in such event, the BUYER shall be deemed to have waived its right to have its representatives on board the VESSEL during the Trial Run, and the SELLER may conduct such Trial Run without the BUYER's representatives being present, and in such case the BUYER shall be obliged to accept the VESSEL on the basis of a certificate jointly signed by the SELLER and the Classification Society certifying that the VESSEL, after Trial Run subject to minor alterations and corrections as provided in this Article, if any, is found to conform to the Contract and Specifications. The SELLER hereby warrants that the necessary visa for the BUYER's representatives to enter China will be issued in order on demand and without delay otherwise the Trial Run shall be postponed until after the BUYER's representatives have arrived at the SELLER's Shipyard and any delays as a result thereof shall not count as a permissible delay under Article VIII thereof. However, should the nationalities and other personal particulars of the BUYER's representatives be not acceptable in accordance with the relevant rules, regulations and/or Laws of the People's Republic of China then prevailing, then the BUYER shall, on the SELLER's E-mail advice and evidence, effect replacement of all or any of them immediately. Otherwise the Delivery Date as stipulated in Article VII hereof shall be extended by the delays so caused by the BUYER. In the event of unfavorable weather on the date specified for the Trial Run, the same shall take place on the first available day thereafter that the weather conditions permit. The parties hereto recognize that the weather conditions in Chinese waters in which the Trial Run is to take place are such that great changes in weather may arise momentarily and without warning and, therefore, it is agreed that if during the Trial Run of the VESSEL, the weather should suddenly become unfavorable, as would have

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precluded the continuance of the Trial Run, the Trial Run of the VESSEL shall be discontinued and postponed until the first favorable day next following, unless the BUYER shall assent by E-mail and confirm in writing of its acceptance of the VESSEL on the basis of the Trial Run made prior to such sudden change in weather conditions. In the event that the Trial Run is postponed because of unfavorable weather conditions, such delay shall be regarded as a permissible delay, as specified in Article VIII hereof.

2. HOW CONDUCTED

(a) All expenses in connection with Trial Run of the VESSEL are to be for the account of the SELLER, who, during the Trial Run and when subjecting the VESSEL to Trial Run, is to provide, at its own expense, the necessary crew to comply with conditions of safe navigation. The Trial Run shall be conducted in the manner prescribed in the Specifications and shall prove fulfillment of the performance required for the Trial Run as set forth in the Specifications.

The course of Trial Run shall be determined by the SELLER and shall be conducted using certified speed measuring facilities.

(b) The SELLER shall provide the VESSEL with the required quantities of water, fuel oil and greases with exception of lubrication oil and hydraulic oil which shall be supplied by the BUYER for the conduct of the Trial Run or Trial Runs as prescribed in the Specifications. The fuel oil and greases supplied by the SELLER, and lubricating oil and hydraulic oil supplied by the BUYER shall be in accordance with the applicable engine specifications, and the cost of the quantities of water, fuel oil, lubricating oil, hydraulic oil and greases consumed during the Trial Run or Trial Runs shall be for the account of the SELLER.

3. TRIAL LOAD DRAFT

In addition to the supplies provided by the BUYER in accordance with sub-paragraph (b) of the preceding Paragraph 2 hereof, the SELLER shall provide the VESSEL with the required quantity of fresh water and other stores necessary for the conduct of the Trial Run. The necessary ballast (fresh and sea water and such other ballast as may be required) to bring the VESSEL to the trial load draft as specified in the Specifications, shall be for the SELLER's account.

4. METHOD OF ACCEPTANCE OR REJECTION

(a) Upon notification of the SELLER of the completion of the Trial Run of the VESSEL, the BUYER or the BUYER's Supervisor shall within six (6) days thereafter, notify the SELLER by E-mail confirmed in writing of its acceptance of the VESSEL or of its rejection of the VESSEL together with the reasons therefor.

(b) However, should the result of the Trial Run indicate that the VESSEL or any part thereof including its equipment does not conform to the requirements of this Contract and Specifications, then the SELLER shall investigate with the Supervisor the cause of failure and the proper steps shall be taken to remedy the same and shall make whatever corrections and alterations and/or re-Trial Run or Runs as may be necessary without extra cost to the BUYER, and upon notification by the SELLER of completion of such alterations or corrections and/or re-trial or re-trials, the BUYER shall, within six (6) days thereafter, notify the SELLER by E-mail confirmed in writing of its acceptance of its VESSEL or of the rejection of the VESSEL together with the reason therefor on the basis of the alterations and corrections and/or re-trial or re-trials by the SELLER.

(c) In the event that the BUYER fails to notify the SELLER by E-mail confirmed in writing of its acceptance or rejection of the VESSEL together with the reason therefor within six (6) days period as provided for in the above sub-paragraphs (a) and (b), the BUYER shall be deemed to have accepted the VESSEL.

(d) Any dispute arising among the parties hereto as to the result of any Trial Run or further tests or trials, as the case may be, of the VESSEL shall be solved by reference to arbitration as provided in Article XIII hereof.

(e) Nothing herein shall preclude the BUYER from accepting the VESSEL with its qualifications and/or remarks following the Trial Run and/or further tests or trials as aforesaid and the SELLER shall be obliged to comply with and/or remove such qualifications and/or remarks (if such qualifications and/or remarks are acceptable to the SELLER) at the time before effecting delivery of the VESSEL to the BUYER under this Contract.

5. DISPOSITION OF SURPLUS CONSUMABLE STORES

Should any amount of fuel oil, fresh water, or other unbroached consumable stores furnished by the SELLER for the Trial Run or Trial Runs remain on

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board the VESSEL at the time of acceptance thereof by the BUYER, the BUYER agrees to buy the same from the SELLER at the original price incurred by the SELLER, and payment by the BUYER shall be effected as provided in Article II 3 (d) and 4 (d) of this Contract.

The BUYER shall supply lubricating oil and hydraulic oil for the purpose of Trial Runs at its own expenses and the SELLER will reimburse for the amount of lubricating oil and hydraulic oil actually consumed for the said Trial Run or Trial Runs at the original price incurred by the BUYER and payment by the SELLER shall be effected as provided in Article II 3(d) and 4(d) of this Contract.

6. EFFECT OF ACCEPTANCE

The BUYER's acceptance of the VESSEL by written or E-mail notification sent to the SELLER, in accordance with the provisions set out above, shall be final and binding so far as conformity of the VESSEL to this Contract and the Specifications is concerned, and shall preclude the BUYER from refusing formal delivery by the SELLER of the VESSEL, as hereinafter provided, if the SELLER complies with all other procedural requirements for delivery as hereinafter set forth.

If, at the time of delivery of the VESSEL, there are deficiencies in the VESSEL, such deficiencies should be resolved in such way that if the deficiencies are of minor importance, and do not in any way affect the safety or the operation of the VESSEL, its crew, passengers or cargo the SELLER shall be nevertheless entitled to tender the VESSEL for delivery and the BUYER shall be nevertheless obliged to take delivery of the VESSEL, provided that the SELLER shall for its own account remedy the deficiency and fulfill the requirements as soon as possible.

ARTICLE VII DELIVERY

1. TIME AND PLACE

The VESSEL shall be delivered safely afloat by the SELLER to the BUYER at the SELLER's Shipyard or other public wharf in Jiangmen city or Zhuhai city area, in accordance with the Specifications and with all Classification and Statutory Certificates and after completion of Trial Run (or, as the case may be, re-Trial or re-Trials) and acceptance by the BUYER in accordance with the provisions of Article VI hereof on or before **31st December 2030** provided that, in the event of delays in the construction of the VESSEL or any performance required under this Contract due to causes which under the terms of the Contract permit extension of the time for delivery, the aforementioned time for delivery of the VESSEL shall be extended accordingly.

The aforementioned date or such later date to which delivery is extended pursuant to the terms of this Contract is hereinafter called the "Delivery Date".

2. WHEN AND HOW EFFECTED

Provided that the BUYER and the SELLER shall each have fulfilled all of their respective obligations as stipulated in this Contract, delivery of the VESSEL shall be effected forthwith by the concurrent delivery by each of the parties hereto, one to the other, of the Protocol of Delivery and Acceptance, acknowledging delivery of the VESSEL by the SELLER and acceptance thereof by the BUYER, which Protocol shall be prepared in duplicate and executed by each of the parties hereto.

3. DOCUMENTS TO BE DELIVERED TO THE BUYER

Upon acceptance of the VESSEL by the BUYER, the SELLER shall deliver to the BUYER the following documents (subject to the provision contained in Article V 2 hereof) which shall accompany the aforementioned Protocol of Delivery and Acceptance:

(a) PROTOCOL OF TRIALS of the VESSEL made by the SELLER pursuant to the Specifications.

(b) PROTOCOL OF INVENTORY of the equipment of the VESSEL including spare part and the like, all as specified in the Specifications, made by the SELLER.

(c) PROTOCOL OF STORES OF CONSUMABLE NATURE made by the SELLER referred to under Paragraph 5 of Article VI hereof.

(d) FINISHED DRAWINGS AND PLANS and INSTRUCTION MANUALS pertaining to the VESSEL as stipulated in the Specifications, made by the SELLER.

(e) PROTOCOL OF DEADWEIGHT AND INCLINING EXPERIMENT, made by the SELLER.

(f) ALL CERTIFICATES required to be furnished upon delivery of the VESSEL pursuant to the Specifications.

Certificates shall be issued by relevant Authorities or Classification Society. The VESSEL shall comply with the above rules and regulations which are in force at the time of signing this Contract. All the certificates shall be delivered in one (1) original to the VESSEL and two (2) copies to the BUYER.

If the full term certificate or certificates are unable to be issued at the time of delivery by the Classification Society or any third party other than the SELLER, then the provisional certificate or certificates as issued by The Classification Society or the third party other than the SELLER with the full term certificates to be furnished by the SELLER after delivery of the VESSEL and in any event before the expiry of the provisional certificates shall be acceptable to the BUYER.

(g) Non-registration Certificate & Non-mortgage Certificate issued by the SELLER stating that the VESSEL is delivered to the BUYER free and clear of any liens, charges, claims, mortgages, or other encumbrances upon the BUYER's title thereto, and in particular, that the VESSEL is absolutely free of all burdens in the nature of imposts, taxes or charges imposed by the province or country of the port of delivery, as well as of all liabilities of the SELLER to its sub-contractors, employees and crews and/or all liabilities arising from the operation of the VESSEL in Trial Run or Trial Runs, or otherwise, prior to delivery.

(h) COMMERCIAL INVOICE issued by SELLER.

(i) BILL OF SALE issued by the SELLER with notarized and apostilled.

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(j) Builder's Certificate issued by the SELLER with notarized and apostilled (Original shall be provided to the BUYER required due to registration purposes.)

4. TITLE AND RISK

Title to and risk of the VESSEL shall pass to the BUYER only upon delivery thereof. As stated above, it being expressly understood that, until such delivery is effected, title to the VESSEL, and her equipment, shall remain at all times with the SELLER unencumbered and are at the entire risk of the SELLER.

5. REMOVAL OF VESSEL

The BUYER shall take possession of the VESSEL immediately upon delivery and acceptance thereof, and shall remove the VESSEL from the premises of the SELLER or other public wharf in Jiangmen city or Zhuhai city area within seven (7) days after delivery and acceptance thereof is effected. If the BUYER shall not remove the VESSEL from the premises of the SELLER or other public wharf in Jiangmen city or Zhuhai city area within the aforesaid seven (7) days, then, in such event, without prejudice to the SELLER's right to require the BUYER to remove the VESSEL immediately at any time thereafter, the BUYER shall pay to the SELLER the reasonable mooring charge of the VESSEL.

6. TENDER OF THE VESSEL

If the BUYER fails to take delivery of the VESSEL after completion thereof according to this Contract and the Specifications without justified reason, the SELLER shall have the right to tender the VESSEL for delivery after compliance with all procedural requirements as above provided.

ARTICLE VIII DELAYS & EXTENSION OF TIME FOR DELIVERY

1. CAUSE OF DELAY

If, at any time before actual delivery, either the construction of the VESSEL, or any performance required hereunder as a prerequisite of delivery of the VESSEL, is delayed due to war, blockade, revolution, insurrection, mobilization, civil commotions, riots, strikes (not including strikes at the SELLER's or subcontractor's Shipyard), sabotage, lockouts (not including lockouts at the SELLER's or subcontractor's Shipyard), local temperature higher than 35 degree centigrade, Acts of God or the public enemy, terrorism, plague or other epidemics, quarantines, prolonged failure or restriction of electric current from an outside source, freight embargoes, if any, earthquakes, tidal waves, typhoons, hurricanes, storms or other causes beyond the control of the SELLER or of its sub-contractors, as the case may be, or by force majeure of any description, whether of the nature indicated by the forgoing or not, or by destruction of the SELLER or works of the SELLER or its sub-contractors, or of the VESSEL or any part thereof, by fire, flood, or other causes beyond the control of the SELLER or its sub-contractors as the case may be, or due to the bankruptcy of the equipment and/or material supplier or suppliers, or due to the delay caused by acts of God in the supply of parts essential to the construction of the VESSEL, provided that:

(a) such delay or event has not been caused by any negligence or intentional act of the SELLER or its subcontractors; and

(b) the SELLER shall use all reasonable efforts to prevent or minimize any delay in the construction of the VESSEL resulting from such events (including but without limitation)： the obtaining of items from alternative sources and the introduction of overtime; and

(c) the delay caused by aforementioned local temperature higher than 35 degree centigrade and prolonged failure or restriction of electric current from an outside source shall be limited to maximum 10 days in total for the two events.

Then, in the event of delay due to the happening of any of the aforementioned contingencies, the SELLER shall not be liable for such delay and the time for delivery of the VESSEL under this Contract shall be extended without any reduction in the Contract Price for a period of time which shall not exceed the total accumulated time of all such delays, subject nevertheless to the BUYER's right of cancellation under Paragraph 3 of this Article and subject however to all relevant provisions of this Contract which authorize and permit extension of the time of delivery of the VESSEL.

2. NOTICE OF DELAY

Within seven (7) days from the date of commencement of any delay on account of which the SELLER claims that it is entitled under this Contract to an extension of the time for delivery of the VESSEL, the SELLER shall advise the BUYER by E-mail confirmed in writing, of the date such delay commenced, and the reasons therefor.

Likewise within seven (7) days after such delay ends, the SELLER shall advise the BUYER in writing or by E-mail confirmed in writing, of the date such delay ended, and also shall specify the maximum period of the time by which the date for delivery of the VESSEL is extended by reason of such delay. Failure of the BUYER to acknowledge the SELLER's notification of any claim for extension of the Delivery Date within thirty (30) days after receipt by the BUYER of such notification, shall be deemed to be a waiver by the BUYER of its right to object to such extension. Failure by the SELLER to provide such advice shall be deemed to be a waiver of SELLER’s right to claim such extension.

3. RIGHT TO CANCEL FOR EXCESSIVE DELAY

If the total accumulated time of all permissible delays and non-permissible delays aggregate to two hundred and ten (210) days or more, excluding delays due to arbitration as provided for in Article XIII hereof or due to default in performance by the BUYER, or due to delays in delivery of the BUYER's supplied items, and excluding delays due to causes which, under Article II, V, VI, XI and XII hereof, permit extension or postponement of the time for delivery of the VESSEL , then in such event, the BUYER may in accordance with the provisions set out herein cancel this Contract by serving upon the SELLER an Email notice of cancellation which shall be confirmed in writing and the provisions of Article X of this Contract shall apply. The SELLER may, at any time, after the accumulated time of the aforementioned delays justifying cancellation by the BUYER as above provided for, demand in writing that the BUYER shall make an election, in which case the BUYER shall, within thirty (30) days after such demand is received by the BUYER either notify the SELLER of its intention to cancel, or consent to an extension of the time for delivery to an agreed future date, it being understood and agreed by the parties

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hereto that, if any further delay occurs on account of causes justifying cancellation as specified in this Contract, the BUYER shall have the same right of cancellation upon the same terms as hereinabove provided.

4. DEFINITION OF PERMISSIBLE DELAY

Delays on account of such causes as provided for in Paragraph 1 of this Article excluding any other delays of a nature which under the terms of this Contract permit postponement of the Delivery Date, shall be understood to be (and are herein referred to as) permissible delays, and are to be distinguished from non-permissible delays on account of which the Contract Price of the VESSEL is subject to adjustment as provided for in Article III hereof.

ARTICLE IX WARRANTY OF QUALITY

1. GUARANTEE OF MATERIAL AND WORKMANSHIP

The SELLER, for a period of twelve (12) months from the date of delivery to the BUYER of the VESSEL, or as for repaired or replacement parts, twelve (12) months from the date of repair or replacement but in any case not exceeding maximum fifteen (15) months from the date of delivery to the BUYER of the VESSEL, guarantees the VESSEL, her hull and machinery and all parts and equipment thereof that are manufactured or furnished or supplied by the SELLER and/or its subcontractors under this Contract including material, equipment (however excluding any parts for the VESSEL which have been supplied by or on behalf of the BUYER) against all defects which are due to defective design, materials, or equipment, errors, construction, miscalculation and/or poor workmanship. However, the guarantee period for the paint shall be as per the Specification.

To the extent that any warranty or guarantee provided by any subcontractor or supplier is of wider scope or remains in effect after the expiry of the twelve (12) month period laid down in this paragraph, such warranty or guarantee shall, on such expiry, be assigned to the BUYER.

2. NOTICE OF DEFECTS

The BUYER shall notify the SELLER in writing, or by E-mail confirmed in writing, as promptly as possible, after discovery of any defect or deviations for which a claim is made under this guarantee. The BUYER's written notice shall describe the nature of the defect and the extent of the damage caused thereby. The SELLER shall have no obligation under this guarantee for any defects discovered prior to the expiry date of the guarantee, unless notice of such defects, is received by the SELLER not later than seven (7) days after such expiry date. Telefaxed or telexed or E-mail advice with brief details explaining the nature of such defect and extent of damage within seven (7) days after such expiry date and that a claim is forthcoming will be sufficient compliance with the requirements as to time.

3. REMEDY OF DEFECTS

The SELLER shall remedy at its expense any defects, against which the VESSEL or any part of the equipment thereof is guaranteed under this Article by making all necessary repairs and/or replacement. Such repairs and/or replacement will be made by the SELLER.

However, if it is impractical to make the repair by the SELLER, and if forwarding by the SELLER of replacement parts, and materials cannot be accomplished without impairing or delaying the operation or working of the VESSEL, then, in any such event, the BUYER shall, cause the necessary repairs or replacements to be made elsewhere at the discretion of the BUYER provided that the BUYER shall first and in all events, will, as soon as possible, give the SELLER notice in writing, or by E-mail confirmed in writing of the time and place such repairs will be made and, if the VESSEL is not thereby delayed, or her operation or working is not thereby delayed, or her operation or working is not thereby impaired, the SELLER shall have the right to verify by its own representative(s) or that of Classification Society the nature and extent of the defects complained of. The SELLER shall, in such cases, promptly advise the BUYER, by E-mail, after such examination has been completed, of its acceptance or rejection of the defects as ones that are subject to the guarantee herein provided.

In any circumstances as set out below, the SELLER shall immediately pay to the BUYER in United States Dollars by telegraphic transfer the actual cost for such repairs or replacements including forwarding charges, or at the average cost for making similar repairs or replacements including forwarding charges as quoted by a leading shipyard each in China, South Korea and Singapore, whichever is lower:

(a) Upon the SELLER's acceptance of the defects as justifying remedy under this Article, or

(b) If the SELLER neither accepts nor rejects the defects as above provided, nor request arbitration within thirty (30) days after its receipt of the BUYER's notice of defects.

Any dispute shall be referred to arbitration in accordance with the provisions of Article XIII hereof.

4. EXTENT OF THE SELLER'S LIABILITY

The SELLER shall have no obligation and/or liabilities with respect to defects discovered after the expiration of the period of guarantee specified above.

The SELLER shall be liable to the BUYER for defects and damages caused by

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any of the defects specified in Paragraph 1 of this Article provided that such liability of the SELLER shall be limited to damage occasioned within the guarantee period specified in Paragraph 1 above. The SELLER shall not be obligated to repair, or to be liable for, damages to the VESSEL, or to any part of the equipment thereof, due to ordinary wear and tear or caused by the defects other than those specified in Paragraph 1 above, nor shall there be any SELLER's liability hereunder for defects in the VESSEL, or any part of the equipment thereof, caused by fire or accidents at sea or elsewhere, or mismanagement, accidents, negligence, or willful neglect, on the part of the BUYER, its employees or agents including the VESSEL's officers, crew and passengers, or any persons on or doing work on the VESSEL other than the SELLER, its employees, agents or sub-contractors. Likewise, the SELLER shall not be liable for defects in the VESSEL, or the equipment or any part thereof, due to repairs or replacement which were made by those other than the SELLER and/or their sub-contractors.

Upon delivery of the VESSEL to the BUYER, in accordance with the terms of the Contract, the SELLER shall thereby and thereupon be released of all responsibility and liability whatsoever and howsoever arising under or by virtue of this Contract (save in respect of those obligations to the BUYER expressly provided for in this Article IX) including without limitation, any responsibility or liability for defective workmanship, materials or equipment, design or in respect of any other defects whatsoever and any loss or damage resulting from any act, omission or default of the SELLER. SELLER shall not in any circumstances, be liable for any consequential loss or special loss, or expenses arising from any cause whatsoever including, without limitation, loss of time, loss of profit or earnings or demurrage directly from any commitments of the BUYER in connection with the VESSEL.

The Guarantee provided in this Article and the obligations and the liabilities of the SELLER hereunder are exclusive and in lieu of and the BUYER hereby waives all other remedies, warranties, guarantees or liabilities, express or implied, arising by Law or otherwise (including without limitation any obligations of the SELLER with respect to fitness, merchantability and consequential damages) or whether or not occasioned by the SELLER's negligence. This Guarantee shall not be extended, altered or varied except by a written instrument signed by the duly authorized representatives of the SELLER, and the BUYER.

ARTICLE X CANCELLATION, REJECTION AND RESCISSION BY THE BUYER

1. All payments made by the BUYER prior to the delivery of the VESSEL shall be in the nature of advance to the SELLER. In the event the BUYER shall exercise its right of cancellation and/or rescission of this Contract under and pursuant to any of the provisions of this Contract specifically permitting the BUYER to do so, then the BUYER shall notify the SELLER in writing or by E-mail confirmed in writing, and such cancellation and/or rescission shall be effective as of the date the notice thereof is received by the SELLER.

2. Thereupon the SELLER shall refund in United States dollars immediately to the BUYER the full amount of all sums paid by the BUYER to the SELLER on account of the VESSEL, unless the SELLER disputes the BUYER's cancellation and/or rescission by instituting arbitration in accordance with Article XIII. If the BUYER's cancellation or rescission of this Contract is disputed by the SELLER by instituting arbitration as aforesaid, then no refund shall be made by the SELLER, and the BUYER shall not be entitled to demand repayment from SELLER under its guarantee, until the arbitration award between the BUYER and the SELLER or, in case of appeal or appeals by the SELLER on the arbitration award or any court orders, by the final court order, which shall be in favor of the BUYER, declaring the BUYER's cancellation and/or rescission justified, is made and delivered to the SELLER by the arbitration tribunal or final competent London Court having jurisdiction on the dispute. In the event of the SELLER is obligated to make refundment, the SELLER shall pay the BUYER interest in United States Dollars at the rate of six percent (6%) per annum, if the cancellation or rescission of the Contract is exercised by the BUYER in accordance with the provision of Article III 1(c), 2(c), 3(c) or 4(c) hereof, on the amount required herein to be refunded to the BUYER computed from the respective dates when such sums were received by the Bank nominated by the SELLER pursuant to Article II 4(a) , 4(b) or 4(c) from the BUYER to the date of remittance by telegraphic transfer of such refund to the BUYER by the SELLER, provided, however, that if the said rescission by the BUYER is made under the provisions of Paragraph 3 of Article VIII or the VESSEL is determined to be an actual or constructive total loss, then in such event the SELLER shall not be required to pay any interest.

3. Upon such refund by the SELLER to the BUYER, all obligations, duties and liabilities of each of the parties hereto to the other under this Contract shall be forthwith completely discharged.

ARTICLE XI BUYER'S DEFAULT

1. DEFINITION OF BUYER'S DEFAULT

The BUYER shall be deemed in default of its obligation under the Contract if any of the following events occurs:

(a) The BUYER fails to pay any of the 2nd or 3rd installment to the SELLER when any such installment becomes due and payable under the provisions of Article II hereof and provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(b) The BUYER fails to pay the 4th installment to the SELLER in accordance with Paragraph 3(d) and 4(d) of Article II hereof provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(c) The BUYER fails to take delivery of the VESSEL, when the VESSEL is duly tendered for delivery by the SELLER under the provisions of Article VII hereof.

2. NOTICE OF BUYER'S DEFAULT

If the BUYER is in default of payment or in performance of its obligations as provided hereinabove, the SELLER shall notify the BUYER to that effect by E-mail after the date of occurrence of the default as per Paragraph 1 of this Article and the BUYER shall forthwith acknowledge by E-mail to the SELLER that such notification has been received. In case the BUYER does not give the aforesaid E-mail acknowledgment to the SELLER within three (3) calendar days it shall be deemed that such notification has been duly received by the BUYER.

3. INTEREST AND CHARGE

(a) If the BUYER is in default of payment as to any installment as provided in Paragraph 1 (a) and/or 1 (b) of this Article, the BUYER shall pay interest on such installment at the rate of six percent (6 %) per annum until the date of the payment of the full amount, including all aforesaid interest. In case the BUYER shall fail to take delivery of the VESSEL when required to as provided in Paragraph 1 (c) of this Article, the BUYER shall be deemed in default of payment of the 4th installment and shall pay interest thereon at the same rate as aforesaid from and including the day on which the VESSEL is tendered for delivery by the SELLER, as provided in Article VII Paragraph 6 hereof.

(b) In any event of default by the BUYER under 1 (a) or 1 (b) or 1 (c) above, the BUYER shall also pay all direct costs, charges and expenses reasonably incurred by the SELLER in consequence of such default.

4. BUYER'S DEFAULT BEFORE DELIVERY OF THE VESSEL

(a) If any default by the BUYER occurs as defined in Paragraph 1 (a) or 1 (b) or 1 (c) of this Article, the Delivery Date shall, at the SELLER's option, be postponed for a period of continuance of such default by the BUYER.

(b) If any such default as defined in Paragraph 1 (a) or 1 (b) or 1 (c) of this Article committed by the BUYER continues for a period of fifteen (15) days, then, the SELLER shall have all following rights and remedies:

(i) The SELLER may, at its option, cancel or rescind this Contract, provided the SELLER has notified the BUYER of such default pursuant to Paragraph 2 of this Article, by giving notice of such effect to the BUYER by E-mail confirmed in writing. Upon receipt by the BUYER of such E-mail notice of cancellation or rescission, all of the BUYER's Supplies shall forthwith become the sole property of the SELLER, and the VESSEL and all its equipment and machinery shall be at the sole disposal of the SELLER for sale or otherwise; and

(ii) In the event of such cancellation or rescission of this Contract, the SELLER shall be entitled to retain any installment or installments of the Contract Price paid by the BUYER to the SELLER on account of this Contract.

(iii) (Applicable to any BUYER's default defined in 1(a) of this Article) The SELLER shall, without prejudice to the SELLER's right to recover from the BUYER the 4th installment, interest, costs and/or expenses by applying the proceeds to be obtained by sale of the VESSEL in accordance with the provisions set out in this Contract, have the right to declare all unpaid 2nd and 3rd installments to be forthwith due and payable, and upon such declaration, the SELLER shall have the right to immediately demand the payment of the aggregate amount of all unpaid 2nd and 3rd installments from the Payment Guarantor in accordance with the terms and conditions of the guarantee issued by the Guarantor.

5. SALE OF THE VESSEL

(a) In the event of cancellation or rescission of this Contract as above provided, the SELLER shall have full right and power either to complete or not to complete the VESSEL as it deems fit, and to sell the VESSEL at a public or private sale on such terms and conditions as the SELLER thinks fit without being answerable for any loss or damage occasioned to the BUYER thereby.

In the case of sale of the VESSEL, the SELLER shall give telefax, or telex, or E-mail or written notice to the BUYER.

(b) In the event of the sale of the VESSEL in its completed state, the proceeds of sale received by the SELLER shall be applied firstly to payment of all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all unpaid installments and/or unpaid balance of the Contract Price and interest on such installment at the interest rate as specified in the relevant provisions set out above from the respective due dates thereof to the date of application.

(c) In the event of the sale of the VESSEL in its incomplete state, the proceeds of sale received by the SELLER shall be applied firstly to all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all costs of construction of the VESSEL (such costs of construction, as herein mentioned, shall include but are not limited to all costs of labour and/or prices paid or to be paid by the SELLER for the equipment and/or technical design and/or materials purchased or to be purchased, installed and/or to be installed on the VESSEL) and/or any fees, charges, expenses and/or royalties incurred and/or to be incurred for the VESSEL less the installments so retained by the SELLER, and compensation to the SELLER for a reasonable sum of loss of profit due to the cancellation or rescission of this Contract.

(d) In either of the above events of sale, if the proceed of sale exceeds the total of the amounts to which such proceeds are to be applied as aforesaid, the SELLER shall promptly pay the excesses to the BUYER without interest, provided, however that the amount of each payment to the BUYER shall in no event exceed the total amount of installments already paid by the BUYER and the cost of the BUYER's supplies, if any.

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(e) If the proceed of sale are insufficient to pay such total amounts payable as aforesaid, the BUYER shall promptly pay the deficiency to the SELLER upon request.

ARTICLE XII INSURANCE

1. EXTENT OF INSURANCE COVERAGE

From the time of keel-laying of the first section of the VESSEL until the same is completed, delivered to and accepted by the BUYER, the SELLER hereby undertakes, at its own cost and expense, to keep the VESSEL and all machinery, materials, equipment, appurtenances and outfit, delivered to the SELLER for the VESSEL or built into, or installed in or upon the VESSEL, including the BUYER's Supplies, fully insured with first class Chinese insurance companies for SELLER's Risks.

The amount of such insurance coverage shall, up to the date of delivery of the VESSEL, be in an amount at least equal to, but not limited to, the aggregate of the payments made by the BUYER to the SELLER including the actual value of the BUYER's Supplies. The policy referred to hereinabove shall be taken out in the name of the SELLER and all losses under such policy shall be payable to the SELLER.

2. APPLICATION OF RECOVERED AMOUNT

(a) Partial Loss:

In the event the VESSEL shall be damaged by any insured cause whatsoever prior to acceptance and delivery thereof by the BUYER and in the further event that such damage shall not constitute an actual or a constructive total loss of the VESSEL, the SELLER shall apply the amount recovered under the insurance policy referred to in Paragraph 1 of this Article to the repair of such damage satisfactory to the Classification Society and other institutions or authorities as described in the Specifications without additional expenses to the BUYER, and the BUYER shall accept the VESSEL under this Contract if completed in accordance with this Contract and Specifications.

(b) Total Loss:

However, in the event that the VESSEL is determined to be an actual or constructive total loss, the SELLER shall either:

(i) By the mutual agreement between the parties hereto, proceed in accordance with terms of this Contract, in which case the amount recovered under said insurance policy shall be applied to the reconstruction and/or repair of the VESSEL's damages and/or reinstallation of BUYER's supplies, provided the parties hereto shall have first agreed in writing as to such reasonable extension of the Delivery Date and adjustment of other terms of this Contract including the Contract Price as may be necessary for the completion of such reconstruction; or

(ii) If due to whatever reasons the parties fail to agree on the above, then refund immediately to the BUYER the amount of all installments paid to the SELLER under this Contract without interest and insurance cover for the BUYER'S supply items, whereupon this Contract shall be deemed to be canceled and all rights, duties, liabilities and obligations of each of the parties to the other shall terminate forthwith.

Within thirty (30) days after receiving E-mail notice of any damage to the VESSEL constituting an actual or a constructive total loss, the BUYER shall notify the SELLER in writing or by E-mail of its agreement or disagreement under this sub-paragraph. In the event the BUYER fails to so notify the SELLER, then such failure shall be construed as a disagreement on the part of the BUYER. This Contract shall be deemed as rescinded and canceled and the BUYER shall receive the refund as point (ii) hereinabove and the provisions hereof shall apply.

3. TERMINATION OF THE SELLER'S OBLIGATION TO INSURE

The SELLER's obligation to insure the VESSEL hereunder shall cease and terminate forthwith upon delivery thereof to and acceptance by the BUYER.

ARTICLE XIII DISPUTES AND ARBITRATION

1. PROCEEDINGS

In the event of any dispute between the parties hereto as to any matter arising out of or relating to this Contract or any stipulation herein or with respect thereto which cannot be settled by the parties themselves, such dispute shall be resolved by arbitration in London, England in accordance with the Laws of England and in accordance with the rules of the London Maritime Arbitrators Association. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute.

In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators may apply to any court in England or other official organization in England having jurisdiction in such matter to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators as the case may be, unless appealed by either party, shall be final, conclusive and binding upon the parties hereto.

2. ALTERNATIVE ARBITRATION BY AGREEMENT

Notwithstanding the preceding provisions of this Article, it is recognized that in the event of any dispute or difference of opinion arising in regard to the construction of the VESSEL, her machinery and equipment, or concerning the quality of materials or workmanship thereof or thereon, such dispute may be referred to the Classification Society upon mutual agreement of the parties hereto. In such case, the opinion of the Classification Society shall be final and binding on the parties hereto.

3. NOTICE OF AWARD

The award shall immediately be given to the SELLER and the BUYER in writing or by E-mail confirmed in writing.

4. EXPENSES

The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear.

5. AWARD OF ARBITRATION

Award of arbitration, unless appealed by either party, shall be final and binding upon the parties concerned. The right of appeal shall be in accordance with the laws of England.

6. ENTRY IN COURT

Judgment upon the award may be entered in any court having jurisdiction thereof.

7. ALTERATION OF DELIVERY TIME

In the event of reference to arbitration of any dispute arising out of matters occurring prior to delivery of the VESSEL, the SELLER shall not be entitled to extend the Delivery Date as defined in Article VII hereof and the BUYER shall not be entitled to postpone its acceptance of the VESSEL on the Delivery Date or on such newly planned time of delivery of the VESSEL as declared by the SELLER. However, if the construction of the VESSEL is affected by any arbitration or court proceeding, the SELLER shall then be permitted to extend the Delivery Date as defined in Article VII and the decision or the award shall include a finding as to what extent the SELLER shall be permitted to extend the Delivery Date.

ARTICLE XIV RIGHT OF ASSIGNMENT

Neither of the parties hereto shall assign this Contract to any other individual, firm, company or corporation unless prior consent of the other party is given in writing.

A prior consent to the assignment of the rights under this contract to the financing bank of the BUYER for security purposes is herewith given. However, the BUYER shall guarantee that the Shipbuilding Contract Assignment between the BUYER and its financing bank must in any way not impair the SELLER'S rights.

The assigning party remains fully liable for its obligations hereunder.

ARTICLE XV TAXES AND DUTIES

1. TAXES

All costs for taxes including stamp duties, if any, incurred in connection with this Contract in the People's Republic of China shall be borne by the SELLER. Any taxes and/or duties imposed upon those items or services procured by the SELLER in the People's Republic of China or elsewhere for the construction of the VESSEL shall be borne by the SELLER.

2. DUTIES

The SELLER shall indemnify the BUYER for, and hold it harmless against, any duties imposed in the People's Republic of China upon materials and equipment which under the terms of this Contract and/or the Specifications will, or may be, supplied by the BUYER from the abroad for installation in the VESSEL as well as any duties imposed in the People's Republic of China upon running stores, provisions and supplies furnished by the BUYER from abroad to be stocked on board the VESSEL and also from the payment of export duties, if any, to be imposed upon the VESSEL as a whole or upon any of its parts or equipment.

Any tax or duty other than those described hereinabove, if any, shall be borne by the BUYER.

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ARTICLE XVI PATENTS, TRADEMARKS AND COPYRIGHTS

The machinery and equipment of the VESSEL may bear the patent number, trademarks or trade names of the manufacturers. The SELLER shall defend and save harmless the BUYER from patent liability or claims of patent infringement of any nature or kind, including costs and expenses for, or on account of any patented or patentable invention made or used in the performance of this Contract and also including cost and expense of litigation, if any.

Nothing contained herein shall be construed as transferring any patent or trademark rights or copyright in equipment covered by this Contract, and all such rights are hereby expressly reserved to the true and lawful owners thereof. Notwithstanding any provisions contained herein to the contrary, the SELLER's obligation under this Article should not be terminated by the passage of any specified period of time.

The SELLER's indemnity hereunder does not extend to equipment or parts supplied by the BUYER to the SELLER if any.

JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

ARTICLE XVII NOTICE

Any and all notices and communications in connection with this Contract shall be addressed as follows:

To the BUYER:
JINSHUN SHIPPING INC.

Address: c/o 26/F., Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Tel No. : +852-25450951
E-mail: newbuilding@jinhuiship.com

To the SELLER:
JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

Address: Gujing 529145, Xinhui, Jiangmen City, Guangdong Province, the People's Republic of China
Tel No.: +86-750-2631711
E-mail: marketing@jns.net.cn

Any notices and communications sent by SELLER alone to the BUYER shall be deemed as having been sent by the SELLER.

Any change of address shall be communicated in writing by registered mail by the party making such change to the other party and in the event of failure to give such notice of change, communications addressed to the party at their last known address shall be deemed sufficient.

Any and all notices, requests, demands, instructions, advice and communications in connection with this Contract shall be deemed to be given at, and shall become effective from, the time when the same is delivered to the address of the party to be served, provided, however, that registered airmail shall be deemed to be delivered ten (10) days after the date of dispatch, express courier service shall be deemed to be delivered five (5) days after the date of dispatch, and E-mail acknowledged by the answerbacks shall be deemed to be delivered upon dispatch.

Any and all notices, communications, Specifications and drawings in connection with this Contract shall be written in the English language and each party hereto shall have no obligation to translate them into any other language.

JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

ARTICLE XVIII EFFECTIVE DATE OF CONTRACT

This Contract shall become effective upon fulfillment of all the following conditions:

(1) Due execution of this Contract; and

(2) Receipt by the SELLER of a Performance Guarantee in the form annexed hereto as Exhibit B issued by BUYER in accordance with Article II Paragraph 6 hereof; and

(3) Receipt by the BUYER of a Refund Guarantee in the form annexed hereto as Exhibit A issued by SELLER'S BANK acceptable to the BUYER for 1st, 2nd and 3rd installment of the contract price in accordance with Article II Paragraph 7 hereof; and

(4) Receipt by the SELLER of the 1st installment in accordance with Paragraph 3(a) and 4(a) of Article II of this Contract.

ARTICLE XIX INTERPRETATION

1. LAW APPLICABLE

The parties hereto agree that the validity and interpretation of this Contract and of each Article and part hereof be governed by and interpreted in accordance with the Laws of England.

2. DISCREPANCIES

All general language or requirements embodied in the Specifications are intended to amplify, explain and implement the requirements of this Contract. However, in the event that any language or requirements so embodied in the Specifications permit of an interpretation inconsistent with any provision of this Contract, then in each and every such event, the applicable provisions of this Contract shall govern. The Specifications and plans are also intended to explain each other, and anything shown on the plans and not stipulated in the Specifications or stipulated in the Specifications and not shown on the plans, shall be deemed and considered as if embodied in both. In the event of conflict between the Specifications and plans, the Specifications shall prevail and govern.

However, with regard to such inconsistency or contradiction between this Contract and the Specifications as may later occur by any change or changes in the Specifications agreed upon by and among the parties hereto after execution of this Contract, then such change or changes shall govern.

3. DEFINITION

In absence of stipulation of "Banking Day(s)" or "Business Day(s)", the "day" or "days" shall be taken as "calendar day" or "calendar days".

JIANGSU NANYANG SHIP ENGINEERING CO., LTD.

In WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed on the day and year first above written.

THE BUYER: JINSHUN SHIPPING INC.

By: ....

Name: Ng Siu Fai

Title: Director

THE SELLER: JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

By: ....

Name: Huang Fei

Title: President& Executive Director

Exhibit "A" : IRREVOCABLE LETTER OF GUARANTEE

REFUND GUARANTEE NO **[X]**
Date: **[X]**
To: **[X]**
Add: **[X]**

Dear Sirs,

1. At the request of **[Builder]**, a corporation organized and existing under the laws of the **[Jurisdiction]**, having its registered office at [Address] (hereinafter called the "Builder"), and in consideration of you, [Buyer], as the buyer of the Vessel (hereinafter defined) and the beneficiary of this Letter of Guarantee agreeing to pay the pre-delivery installments of the contract price amounting to United States Dollars **[Contract Price]** only (USD **[X]**) (hereinafter called the "Contract Price") to the Builder in accordance with the shipbuilding contract No. **[X]** dated [Date] (hereinafter as the same way may have been or may be amended, modified and/or supplemented from time to time called the "Contract") concluded by and between you and the Builder, for the construction and delivery to you of one (1) **[X]** DWT **[Vessel Type]** to be designated as **[X]** (hereinafter called the "Vessel"), we, the undersigned, **[Bank Branch]**, having our registered office at **[Address]**, do hereby irrevocably, absolutely and unconditionally guarantee as primary obligor and not merely as surety to repay to you as the beneficiary on demand, the amount up to United States Dollars **[Contract Price]** only (USD **[X]**), representing:

   (1) the first instalment being United States Dollars **[X]** (say USD Dollars **[X]** only);

   (2) the second instalment being United States Dollars **[X]** (say USD Dollars **[X]** only);

   (3) the third instalment being United States Dollars **[X]** (say USD Dollars **[X]** only); and

   (4) the fourth instalment being United States Dollars **[X]** (say USD Dollars **[X]** only) of the Contract Price of the Vessel, together with interest as provided below.

2. Should the Builder fail to make such repayment in accordance with the terms of the Contract after you cancel, terminate or rescind the Contract and demand the refund of installments pursuant to Article **[X]** of the Contract, or in the event of total loss of the Vessel as described in Article **[X]** under the Contract, we shall pay you the amount payable by the Builder together with interest at the rate of **[X]** percent (**[X]**PCT) per annum from the date of receipt of the said respective instalment or instalments by the Builder into the account nominated by the Builder to the date of remittance by

telegraphic transfer of such repayment to you by us (save that no interest shall be payable if (1) you cancel, terminate or rescind the Contract for the total loss of the Vessel in accordance with Article **[X]** of the Contract, or (2) for any period of permissible delay). We shall pay the sum demanded by you within **[X]** (**[X]**) Banking Days (as defined herein) after receipt of a written demand from you or your bank together with your confirmation stating that you are entitled to claim repayment under the Contract and that the Builder has failed to make such repayment pursuant to the Contract. Such demand shall be made by means described in paragraph 13 (an "Authenticated Demand").

3. However, in the event we receive before your Authenticated Demand or within **[X]** (**[X]**) Banking Days after your Authenticated Demand has been received by us, a notice made by you or the Builder in writing, stating that there is a dispute between you and the Builder in relation to whether the Builder shall be liable to repay the first, second, third and/or fourth installment paid by you and such dispute is or will be submitted by the Builder or by you for arbitration in accordance with Article **[X]** of the Contract, we shall be entitled to withhold and defer payment until the earlier of (a) a final and unappealable arbitration award or a final and unappealable court judgment is published or (b) a binding settlement agreement has been executed between the parties in relation to such dispute. Without limiting the foregoing we shall not be obliged to make any payment to you unless such final and unappealable arbitration award or final and unappealable court judgment or binding settlement agreement requires the Builder to make repayment. If the Builder fails to honor the final and unappealable arbitration award or the final and unappealable judgment or the binding settlement agreement within **[X]** (**[X]**) Banking Days from the date when the final and unappealable award or the final and unappealable court judgement was rendered or the binding settlement agreement was executed or if longer, within such period as may be stipulated in the said award, judgement or binding settlement agreement, then we shall make payment to you to the extent the final and unappealable arbitration award or final and unappealable judgment or binding settlement agreement requires but not exceeding the aggregate amount of this Letter of Guarantee plus interest (if applicable) as described above within **[X]** (**[X]**) Banking Days upon our receipt of your further demand, in substitution for the demand previously submitted, accompanied by a true copy of such final and unappealable arbitration award or final and unappealable court judgement or binding settlement agreement certified as a true copy of the original by an English solicitor in London.

4. Such further demand shall be received by us through the means as aforesaid within **[X]** Banking Days after the publication of the final and unappealable arbitration award or the date of a final and unappealable court judgment or the date on which the parties execute a binding settlement agreement (as the case may be), specifying:

(1) the final and unappealable arbitration award or the final and unappealable court

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judgment or the binding settlement agreement has been awarded or executed (as the case may be), and

(2) the amount the Builder is obliged to repay to you pursuant to such final and unappealable arbitration award or the final and unappealable court judgment or the binding settlement agreement, and

(3) that you have not received from the Builder the amount payable by the Builder to you in satisfaction of such final and unappealable award or the final and unappealable court judgment or the binding settlement agreement, and accordingly,

(4) the amount demanded by you under this Letter of Guarantee.

5. The said repayment shall be made by us in United States Dollars.

6. This Letter of Guarantee shall become effective from the time of the actual receipt of the first installment amounting to United States Dollars **[X]** (say USD Dollars **[X]** only) by the Builder from you in the Builder's Bank Account No. **[X]** held with [Bank Branch] and the total guaranteed amount under this Letter of Guarantee shall not exceed the amount of the guaranteed first, second, third and fourth instalments actually received by the Builder together with interest (if applicable) calculated as described above.

7. This Letter of Guarantee shall remain in force until the earliest of delivery of the Vessel to and acceptance by you, or full refund to you made by the Builder or ourselves, or the Contract is duly terminated by the Builder under Article **[X]** of the Contract, or [**[X]**hours Beijing time on **[X]** which should allow for all permissible and non-permissible delays under the main shipbuilding contract plus an additional 60 days in addition (the "Expiration Date").

Notwithstanding the foregoing, in case either you or the Builder gives notice of an intention to commence arbitration proceedings with respect to the Contract for such matters as are described above then this Letter of Guarantee shall remain in full force and effect until the date falling [**[X]** (**[X]**)] Banking Days after the date of the publication of the final and unappealable arbitration award or the date of a final and unappealable court judgment or the date on which the parties execute a binding settlement agreement.

8. All payments by us under this Letter of Guarantee shall be made without any set-off or counterclaim and without deduction or withholding for or on account of any taxes, duties or charges whatsoever unless we are compelled by law to deduct or withhold the same. In the latter event we shall make the minimum deduction or withholding permitted and will pay such additional amounts as may be necessary in order that the

net amount received by you after any such deduction or withholding shall equal the amount which would have been received had no such deduction or withholding been required to be made.

9. Neither our liability nor our obligations under this Letter of Guarantee shall be affected or discharged by any amendment, modification, supplement or variation of the Contract or any invalidity, irregularity or unenforceability or otherwise of the Contract or any time or indulgence granted to the Builder under the terms of the Contract and/or any insolvency, bankruptcy, liquidation, dissolution or reorganization (or analogous procedure) of the Builder. However, notwithstanding the foregoing our liability under this Letter of Guarantee shall in no event be greater than the aforesaid guaranteed amount plus interest (as the case may be).

10. This Letter of Guarantee may be assigned to the beneficiary's financiers but is otherwise assignable with our prior written consent which consent shall not be unreasonably withheld or delayed by us. No assignment shall be made to an entity that is sanctioned by the UN, US, EU, HMT or SWISS authorities. But in any case, the right of making demand under this guarantee shall remain only with yourselves. In the case of any assignment made in accordance with this provision, a notice of assignment shall be sent to us and we shall acknowledge any notice of assignment, within **[X]** (**[X]**) Banking Days from the date of receipt of such notice. Our obligation under this Letter of Guarantee shall not be increased or otherwise affected by any such assignment. Any request, consent, notice and acknowledgement thereof in connection with an assignment of rights under this Letter of Guarantee should be communicated in writing and shall be conveyed by Authenticated SWIFT.

11. We hereby confirm that we are permitted by the law of the People's Republic of China to issue guarantees with the wording of this Letter of Guarantee and especially to designate English law and London as place of arbitration/jurisdiction as provided in paragraph 12 below. We hereby confirm that this Guarantee shall be duly filed with the relevant SAFE authority if such is required by applicable laws and regulations and further confirm that we have obtained all necessary approvals and authorizations to issue this Letter of Guarantee and that we are authorized to effect payment hereunder in United States Dollars.

12. All the banking charges outside of the People's Republic of China are for your account and all the banking charges inside the People's Republic of China are for the account of the Builder.

13. This Letter of Guarantee shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Letter of Guarantee 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

JIANGSU NEW HANTONG SHIP ENGINEERING CO., LTD.

necessary to give effect to the provisions of this Clause. The seat of the arbitration shall be England, even where the hearing takes place outside England. 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, one to be appointed by each party and the third, subject to the provisions of the LMAA Terms, by the two so appointed. 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 in the notice, 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 the arbitrator 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. The language of arbitration shall be English. The law governing this arbitration provision shall be English law.

14. All demands and notices in connection with this Letter of Guarantee shall be sent to us by your bank on your behalf on or before the Expiration Date of this Letter of Guarantee by Authenticated SWIFT message at the following SWIFT code: **[X]**
    Address **[X]**
    SWIFT code: **[X]**

15. In this Letter of Guarantee, “Banking Day” means a day (other than Saturday or Sunday) on which banks are open for general business in Beijing.

YOURS FAITHFULLY,

[Name; position]
[Department]
FOR AND BEHALF OF **[Bank’s name, branch, address]**

JIANGYIN HANYANG SHIP ENGINEERING CO., LTD.

Exhibit "B" : PERFORMANCE GUARANTEE

For the 2nd, 3rd, and 4th instalments

From: JINHUI SHIPPING AND TRANSPORTATION LIMITED
Date:

To: JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.
ADD: GUJING 529145, XINHUI,JIANGMEN,GUANGDONG PROVINCE,CHINA

Dear Sirs,

(1) In consideration of you (the "SELLER") entering into a shipbuilding contract dated .... (the "Shipbuilding Contract") with JINSHUN SHIPPING INC. as the buyer (the "BUYER") for the construction of one (1) 64,500 Metric Tons Deadweight bulk carrier known as JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.'s Hull No. JNS712 (the "VESSEL"), we, JINHUI SHIPPING AND TRANSPORTATION LIMITED, hereby IRREVOCABLY, ABSOLUTELY and UNCONDITIONALLY guarantee, as the primary obligor and not merely as the surety, the due and punctual payment by the BUYER of each and all of the 2nd and 3rd and 4th instalments of the Contract Price amounting to a total sum of United States Dollars Twenty Nine Million Twenty Seven Thousand and Five Hundred only (USD 29,027,500) as specified in (2) below.

(2) The instalments guaranteed hereunder, pursuant to the terms of the Shipbuilding Contract, comprise the 2nd instalment in the amount of United States Dollars Five Million One Hundred Twenty Two Thousand and Five Hundred only (USD 5,122,500) payable by the BUYER within Five (5) Banking Days after cutting of the first steel plate of the VESSEL, the 3rd instalment in the amount of United States Dollars Three Million Four Hundred and Fifteen Thousand only (USD 3,415,000) payable by the BUYER within Five (5) Banking Days after keel laying of the first section of the VESSEL, the 4th installment in the amount of United States Dollars Twenty Million and Four Hundred and Ninety Thousand only (USD 20,490,000) payable by the BUYER upon delivery of the VESSEL.

(3) We also IRREVOCABLY, ABSOLUTELY and UNCONDITIONALLY guarantee, as primary obligor and not merely as surety, the due and punctual payment by the BUYER of interest on each instalment guaranteed here under at the rate of six percent (6%) per annum from and including the first day after the date of instalment in default until the date of full payment by us of such amount guaranteed hereunder.

(4) In the event that you have notified us that the BUYER has failed to punctually pay any

instalment guaranteed hereunder or the BUYER has failed to pay any interest thereon, then, within Seven (7) Banking Days after receipt by us of your first written demand, we shall immediately pay to you or your assignee the unpaid 2nd and 3rd and 4th instalments, together with the interest as specified in Paragraph (3) hereof, without inquiring the justification or entitlement of your demand or requesting you to take any or further action, procedure or step against the BUYER or with respect to any other security which you may hold. For the avoidance of any doubt and even if it is called the "Guarantee" throughout and notwithstanding other stipulations herein, it is hereby confirmed that this Letter of Guarantee shall be regard as an "On Demand" Performance Bond.

(5) Any payment by us under this Letter of Guarantee shall be made in the United States Dollars by telegraphic transfer to receiving bank nominated by you for credit to the account of you or through other receiving bank to be nominated by you from time to time, in favour of you or your assignee.

(6) This Letter of Guarantee and our obligations under this Letter of Guarantee shall not be affected or prejudiced and we shall not withhold and/or delay our payment by the reason of any dispute between you as the SELLER and the BUYER under or in connection with the Shipbuilding Contract or by the BUILDER's delay in the construction and/or delivery of the VESSEL due to whatever causes or by any variation or extension of their terms thereof (whether or not made with our knowledge), or by any security or other indemnity now or hereafter held by you in respect thereof, or by any time or indulgence granted by you or any other person in connection therewith, or by any invalidity or unenforceability of the terms thereof, or by any act, omission, fact or circumstances whatsoever, which could or might, but for the foregoing, diminish in any way our obligations under this Letter of Guarantee.

(7) Any claim or demand shall be in writing signed by one of your officers and may be served on us either by hand or by post and if sent by post to 26/F., Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong. (or such other address as we may notify to you in writing), or by SWIFT.

(8) This Letter of Guarantee shall come into full force and effect upon delivery to you of this Letter Guarantee and shall continue in force and effect until the VESSEL is delivered to and accepted by the BUYER and the BUYER shall have performed all its obligations for taking delivery thereof or until the full payment of all the 2nd and 3rd and 4th instalments together with the aforesaid interests by the BUYER or us, whichever occurs later.

(9) The maximum amount, however, that we are obliged to pay to you under this Letter of Guarantee shall not exceed the aggregate amount of United State Dollars Twenty Ninety Million Three Hundred Seventeen Thousand Seven Hundred and Seventy Five only (USD 29,317,775), being an amount equal to:

(i) all the 2nd and 3rd and 4th instalment guaranteed hereunder in the total amount of United States Dollars Twenty Nine Million Twenty Seven Thousand Five Hundred only (USD 29,027,500); and

(ii) the interest at the rate of Six percent (6%) per annum on the respective instalment each for a period of Sixty (60) days in the amount of United State Dollars Two Hunred Ninety Thousand Two Hundred Seventy Five only (USD 290,275).

(10) All payments by us under this Letter of Guarantee shall be made without any setoff or counterclaim and without deduction or withholding for or on account of any taxes, duties, or charges whatsoever unless we are compelled by law to deduct or withhold the same. In the latter event we shall make the minimum deduction or withholding permitted and will pay such additional amounts as may be necessary in order that the net amount received by you after such deductions or withholdings shall equal the amount which would have been received had no such deduction or withholding been required to be made.

(11) This Letter of Guarantee shall be construed in accordance with and governed by the laws of England. We hereby submit to arbitration by Three (3) arbitrators in London in accordance with the then prevailing rules of London Maritime Arbitrators Association ("LMAA") for the purposes of any legal action or proceedings in connection with this Letter of Guarantee.

(12) This Letter of Guarantee shall have expired as aforesaid, you will return the same to us without any request or demand from us.

(13) We further waive and disclaim all rights whatsoever to claim sovereign immunity for ourselves or our assets in respect of any claim or proceedings brought against us under or in respect of this Letter of Guarantee.

(14) We hereby represent and confirm to you that we are permitted by the law of Hong Kong, and have the corporate power and authority, to issue this Letter of Guarantee with its precise wording and to perform our obligations hereunder and in particular to designate the laws of England as the governing law hereof. With regard to the rules, regulations and requirements of the laws and regulations of Hong Kong, we hereby confirm that this guarantee is valid and enforceable and confirm further that we have obtained all necessary approvals and authorizations to issue and perform this Letter of Guarantee in United States Dollars.

(15) The "Business Day(s)", "Banking Day(s)" and "Day(s)" defined in the Shipbuilding Contact shall have the same meaning when used in this Letter of Guarantee.

IN WITNESS WHEREOF, we have caused this Letter of Guarantee to be signed and delivered by our duly authorized representative the day and year above written.

JIANGSU NEW YANGZI SHIP ENGINEERING CO., LTD.

For and on behalf of JINHUI SHIPPING AND TRANSPORTATION LIMITED

By: ....
Name: NG KAM WAH
Title: Managing Director

Exhibit "C" : SPECIFICATIONS

For

one (1) 64,500 Deadweight Bulk Carrier Vessel (Hull No.: JNS712)

It is confirmed by the BUYER and the SELLER that the VESSEL having the Hull No. JNS712 shall be constructed, equipped and completed in accordance with this Specifications, which shall consist of following files attached herein:

1) Specification (SC41024(JNS)-010-02SM)
2) General Arrangement (SC41024(JNS)-010-03)
3) Midship Section (SC41024(JNS)-00-03)
4) Capacity Plan (SC41024(JNS)-00-10)
5) Maker list (JNS645-00-04) dated 30th September 2025
6) Technical memo dated [3rd June 2026]

THE BUYER: JINSHUN SHIPPING INC.

By: ....

Name: Ng Siu Fai

Title: Director

THE SELLER: JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

By: ....

Name: Huang Fei

Title: President& Executive Director

SHIPBUILDING CONTRACT
(Contract No.:JNS26C713)

FOR

CONSTRUCTION OF ONE 64,500 DWT BULK CARRIER

(HULL NO. JNS713)

BETWEEN

JINTONG MARINE INC.

as BUYER

and

JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

as SELLER

CONTENTS

ARTICLE PAGE NO.

JIANGMEN NANYANG SHIP ENGINEERING CO.,LTD

SHIPBUILDING CONTRACT

FOR

CONSTRUCTION OF ONE 64,500 DEADWEIGHT

BULK CARRIER (HULL NO. JNS713)

This CONTRACT, entered on this 3rd day of June 2026 by and between JINTONG MARINE INC., a corporation organized and existing under the Laws of Panama, having its registered office at Banco General Tower, 19/F, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama and the business address is at 26/F., Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong as Buyer (hereinafter called the "BUYER") on one part; and JIANGMEN NANYANG SHIP ENGINEERING CO., LTD., a corporation organized and existing under the Laws of the People's Republic of China, having its registered office at Gujing 529145, Xinhui, Jiangmen City, Guangdong Province, the People's Republic of China (hereinafter called the "SELLER") on the other part.

WITNESSETH

In consideration of the mutual covenants contained herein, the SELLER agrees to build, launch, equip and complete at the SELLER's Shipyard and to sell and deliver to the BUYER after completion and successful trial one (1) about 64,500 deadweight bulk carrier as more fully described in Article I hereof, to be registered under the flag of HONG KONG and the BUYER agrees to purchase and take delivery of the aforesaid VESSEL from the SELLER and to pay for the same in accordance with the terms and conditions hereinafter set forth.

Seller's Shipyard means JIANGMEN NANYANG SHIP ENGINEERING CO., LTD. located at Gujing 529145, Xinhui, Jiangmen City, Guangdong Province and / or GUANGDONG NANYANG HEAVY INDUSTRY CO., LTD. located at Shadui 529147, Xinhui, Jiangmen City, Guangdong Province.

ARTICLE I DESCRIPTION AND CLASS

1. DESCRIPTION

The VESSEL is a 64,500 metric tons deadweight Bulk Carrier, at Scantling draught, moulded of 13.50 meters (hereinafter called the "VESSEL") of the Class described below. The VESSEL shall have the SELLER's Hull No. JNS713 and shall be constructed, equipped and completed in accordance with the Specifications attached hereto as "Exhibit C" and signed by each of the parties to this Contract (hereinafter collectively called the "Specifications"), making an integral part hereof.

2. CLASS AND RULES

The VESSEL, including its machinery and equipment, shall be constructed in accordance with the rules and regulations issued and having become effective as at the date of signing this Contract of Bureau Veritas (hereinafter called the "Classification Society") and shall be distinguished in the record by the symbol of I ✠HULL ✠MACH, Bulk Carrier, CSR, CPS(WBT), ESP, GRAB[20], BC-A(Holds 2,4 May be empty), BWT, LI-HG-S2, GREEN PASSPORT Unrestricted navigation, VeriSTAR-HULL CM, AUT-UMS, MON-SHAFT, INWATERSURVEY, or equivalent and shall also comply with the rules and regulations as fully described in the Specifications.

The requirements of the authorities as fully described in the Specifications including that of the Classification Society are to include any additional rules or circulars thereof issued and become effective as at the date of signing this Contract.

The SELLER shall arrange with the Classification Society to assign a representative or representatives (hereinafter called the "Classification Surveyor") to the SELLER's Shipyard for supervision of the construction of the VESSEL.

All fees and charges incidental to Classification and to comply with the rules, regulations and requirements of this Contract as described in the Specifications issued up to the date of signing this Contract as well as royalties, if any, payable on account of the construction of the VESSEL shall be for the account of the SELLER, except as otherwise provided and agreed herein. The key plans, materials and workmanship entering into the construction of the VESSEL shall at all times be subject to inspections and tests in accordance with the rules and regulations of the Classification Society.

Decisions of the Classification Society as to compliance or noncompliance with Classification rules and regulations shall be final and binding upon the parties hereto.

3. PRINCIPAL PARTICULARS AND DIMENSIONS OF THE VESSEL

(a) Hull:

Length overall	abt. 199.90m
Length between perpendiculars	abt. 196.50m
Breadth moulded	32.26m
Depth moulded	18.90m
Scantling Draft moulded	13.50m

(b) Propelling Machinery:

The VESSEL shall be equipped, in accordance with the Specifications, with MAN B&W 6S50ME-C9.7-HPSCR EEC type Main Engine.

4. GUARANTEED SPEED

The SELLER guarantees that the sea trial speed, after correction, is to be not less than 13.5 nautical miles per hour on the trial condition stipulated in the Specification.

The trial speed shall be corrected for wind speed and shallow water effect. The correction method of the speed shall be as specified in the Specifications. The attained EEDI of the VESSEL meets the requirement of Phase 3.

5. GUARANTEED FUEL CONSUMPTION

The SELLER guarantees that the fuel oil consumption of the Main Engine is not to exceed 157.8g/kW·h (HPSCR EEC) at NCR rating of main engine on the basis of fuel net calorific value of 42,700kj/kg (10,200 kcal/kg) and ISO Standard Reference Conditions.

6. GUARANTEED DEADWEIGHT

The SELLER guarantees that the VESSEL is to have a deadweight of not less than 64,500 metric tons at the Scantling loaded draft moulded of 13.50 meters in sea water of 1.025 specific gravity.

The term, "Deadweight", as used in this Contract, shall be as defined in the Specifications.

The actual deadweight of the VESSEL expressed in metric tons shall be based on calculations made by the SELLER and checked by the BUYER, and all measurements necessary for such calculations shall be performed in the presence of the BUYER's supervisor(s) or the party authorized by the BUYER, and Class Society representative(s) and thereafter a certificate of deadweight shall be issued by the SELLER.

Should there be any dispute between the SELLER and the BUYER in such calculations and/or measurements, the decision of the Classification Society shall be final.

7. SUBCONTRACTING

The SELLER may, at its sole discretion and responsibility, subcontract any portion of the construction work of the VESSEL to experienced subcontractors, but delivery and final assembly into the VESSEL of any such work subcontracted shall be at the SELLER's Shipyard. The SELLER shall remain responsible for such subcontracted work. BUYER shall be advised of the schedule of subcontracted works.

8. REGISTRATION

The VESSEL shall be registered by the BUYER at its own cost and expenses under the laws of HONG KONG at the time of delivery and acceptance thereof.

ARTICLE II CONTRACT PRICE & TERMS OF PAYMENT

1. CONTRACT PRICE

The purchase price of the VESSEL is United States Dollars Thirty Four Million One Hundred and Fifty Thousand only (US$ 34,150,000), net receivable by the SELLER (hereinafter called the "Contract Price"), which include the extra cost USD 900,000 of technical memo and maker's list listed in Exhibit "C", but exclusive of the cost for the BUYER's Supplies as provided in Article V hereof, and shall be subject to upward or downward adjustment, if any, as hereinafter set forth in this Contract.

2. CURRENCY

Any and all payments by the BUYER to the SELLER under this Contract shall be made in United States Dollars. Any extras and / or deductions made between BUYER and SELLER shall also be settled in United States Dollars.

3. TERMS OF PAYMENT

The Contract Price shall be paid by the BUYER to the SELLER in installments as follows:

Business Days or Banking Days mean the days (other than Saturday and Sunday) on which banks are open in People's Republic of China, Hong Kong and New York.

(a) 1st Installment

The sum of United States Dollars Five Million One Hundred Twenty-Two Thousand Five Hundred only (US$ 5,122,500) representing fifteen percent (15%) of the Contract Price, shall become due and payable and be paid by the BUYER within five (5) Banking Days after the signing of this Contract and the SELLER shall have submitted to the BUYER the Refund Guarantee for the 1st, 2nd and 3rd installments in the form annexed hereto as "Exhibit A" issued by SELLER'S BANK.

(b) 2nd Installment

The sum of United States Dollars Five Million One Hundred Twenty-Two

Thousand Five Hundred only (US$ 5,122,500) representing fifteen percent (15%) of the Contract Price, shall become due and payable and be paid by the BUYER within five (5) Banking Days after the cutting of the first steel plate of the VESSEL in the SELLER's workshop. The SELLER shall notify with an E-mail notice to the BUYER, accompanied by a statement or certificate signed by the Class Society, stating that the first steel plate has been cut in its workshop and demand for payment of this installment.

(c) 3rd Installment

The sum of United States Dollars Three Million Four Hundred Fifteen Thousand only (US$ 3,415,000) representing ten percent (10%) of the Contract Price, shall become due and payable and be paid by the BUYER within five (5) Banking Days after the keel-laying of the VESSEL. The SELLER shall notify with an E-mail notice to the BUYER, accompanied by a statement of certificate signed by the Class Society, stating that the keel-laying has been carried out and demand for payment of this installment.

(d) 4th Installment (Payment upon Delivery of the VESSEL)
The sum of United States Dollars Twenty Million Four Hundred Ninety Thousand only (US$ 20,490,000) representing sixty percent (60%) of the Contract Price, plus any extras and/or minus any deductions due to modifications and/or adjustments of the Contract Price in accordance with provisions of the relevant Articles hereof, shall become due and payable and be paid by the BUYER to the SELLER concurrently with delivery of the VESSEL. The SELLER shall send to the BUYER an E-mail demand for this installment fourteen (14) days prior to the scheduled date of delivery of the VESSEL.

JIANGSU NANYANG SHIP ENGINEERING CO.,LTD

4. METHOD OF PAYMENT

(a) 1st Installment:

The BUYER shall remit the amount of this installment in accordance with Article II, Paragraph 3 (a) by telegraphic transfer to SELLER's account with the BANK nominated by the SELLER.

(b) 2nd Installment:

The BUYER shall remit the amount of this installment in accordance with Article II, Paragraph 3(b) by telegraphic transfer to SELLER's account with the BANK nominated by the SELLER.

(c) 3rd Installment:

The BUYER shall remit the amount of this installment in accordance with Article II, Paragraph 3(c) by telegraphic transfer to SELLER's account with the BANK nominated by the SELLER.

(d) 4th Installment (Payable upon delivery of the VESSEL):

The BUYER shall, at least three (3) Business Days prior to the scheduled date of delivery of the VESSEL, request BUYER's bank to make cash deposit via conditional payment (MT199) in the Bank which is nominated by the SELLER within the People's Republic of China and acceptable by the BUYER, for a period of fourteen (14) days and covering the amount of this installment (as adjusted in accordance with the provisions of this Contract), with an irrevocable instruction that the said amount shall be released to the SELLER against presentation by the SELLER to the said Bank nominated by the SELLER of a copy of the Protocol of Delivery and Acceptance signed by the BUYER's authorized representative and the SELLER's authorized representative. Interest, if any, accrued from such deposit, shall be for the benefit of the BUYER.

If the delivery of the VESSEL is not effected on or before the expiry of the aforesaid deposit period, the BUYER shall have the right to withdraw the said deposit plus accrued interest upon the expiry date. However when the newly scheduled delivery date is notified to the BUYER by the SELLER, the BUYER shall make the cash deposit in accordance with the same terms and conditions as set out above.

5. PREPAYMENT

The BUYER shall have the right to make prepayment of any and all installments before delivery of the VESSEL, by giving to the SELLER at least thirty (30) days prior written notice, without any price adjustment of the VESSEL for such prepayment.

6. SECURITY FOR PAYMENT OF INSTALLMENTS BEFORE DELIVERY

The BUYER shall, upon signing of this Contract deliver to the SELLER a Performance Guarantee substantially in the form annexed hereto as Exhibit "B" in favour of the SELLER issued by the BUYER's intermediate holding company "Jinhui Shipping and Transportation Limited" (hereinafter called the "Payment Guarantor"). This guarantee shall secure the BUYER's obligation for the payments of all the installments as per the Contract.

Should the BUYER fail to deliver to the SELLER such Payment Guarantee within the time specified in this Paragraph, the delivery of the Vessel shall automatically be extended for a period of such delay.

7. REFUNDS

All payments made by the BUYER prior to delivery of the VESSEL shall be in the nature of advance to the SELLER, and in the event this Contract is rescinded or cancelled by the BUYER in accordance with the specific terms of this Contract permitting such rescission or cancellation, the SELLER shall refund to the BUYER in United States Dollars the full amount of all sums already paid by the BUYER to the SELLER under this Contract, together with interest (at the rate set out in respective provisions hereof) from the respective payment date(s) to the date of remittance by telegraphic transfer of such refund to the account specified by the BUYER.

As security to the BUYER, the SELLER shall deliver to the BUYER, before the payment date of the 1st installment a Refund Guarantee to be issued by a first class Chinese Bank acceptable by the BUYER for the 1st, 2nd and 3rd installments (hereinafter called "SELLER's BANK) acceptable to the BUYER and the BUYER's Bank and substantially in the form as per Exhibit "A" annexed hereto.

However, in the event of any dispute between the SELLER and the BUYER with regard to the SELLER's obligation to repay the installment or installments paid by the BUYER and to the BUYER'S right to demand payment from the SELLER, under its guarantee, and such dispute is submitted either by the SELLER or by the BUYER for arbitration in accordance with Article XIII hereof, or for appeal or appeals in accordance with the laws of England, the SELLER's bank shall withhold and defer payment until the arbitration award between the SELLER and the BUYER is published. The SELLER's bank shall not be obligated to make any payment unless the arbitration award orders the SELLER to make repayment and any right of appeal available to the SELLER under laws of England is waived or is not exercised by the SELLER in accordance with laws of England. If the SELLER fails to honour the award or judgment, then the SELLER's bank shall refund to the extent the arbitration award or any court judgment orders.

The SELLER undertakes that, in the event that any refund guarantee(s) issued pursuant to the terms of this Contract involves foreign exchange obligations, such refund guarantee(s) shall be duly registered with the State Administration of Foreign Exchange ("SAFE") and shall otherwise comply with all applicable laws and regulations of the People's Republic of China ("PRC"). The SELLER further undertakes to ensure and shall procure that the refund guarantor bank duly completes and obtains as appropriate all necessary documentation, approvals, and filings promptly and in any event within 60 days after the date of issuance of the relevant refund guarantee(s), and produces written evidence of such completion within the same 60 days period, and the SELLER further undertakes to bear any and all costs, expenses, damages or liabilities incurred or suffered by the BUYER arising out of or in connection with any failure of the SELLER to comply with SAFE requirements and any other applicable laws and regulations of the PRC.

ARTICLE III ADJUSTMENT OF THE CONTRACT PRICE

The Contract Price of the VESSEL shall be subject to adjustments as hereinafter set forth. It is hereby understood by both parties that any reduction of the Contract Price is by way of liquidated damages and not by way of penalty.

1. DELIVERY

(a) No adjustment shall be made, and the Contract Price shall remain unchanged for the Thirty (30) days of delay in delivery of the VESSEL beyond the Delivery Date as defined in Article VII hereof ending as of twelve o'clock midnight of the Thirtieth (30th) day of delay.

(b) If the delivery of the VESSEL is delayed more than Thirty (30) days after the date as defined in Article VII hereof, then, in such event, beginning at twelve o'clock midnight of the Thirtieth (30th) day after the date on which delivery is required under this Contract, the Contract Price of the VESSEL shall be reduced by deducting therefrom the sum of United States Dollars Six Thousand (US$ 6000) per day.

Unless the parties hereto agree otherwise, the total reduction in the Contract Price shall be deducted from the final installment of the Contract Price and in any event (including the event that the BUYER consents to take the VESSEL at the later delivery date after the expiration of Two Hundred and Ten (210) days delay of delivery as described in Paragraph 1(c) of this Article) shall not be more than One Hundred and Eighty (180) days at the above specified rate of reduction after the Thirty (30) days allowance, that is United States Dollars One Million and Eighty Thousand (US$ 1,080,000) being the maximum.

(c) If the delay in the delivery of the VESSEL continues for a period of Two Hundred and Ten (210) days after the Delivery Date as defined in Article VII, then in such event, the BUYER may, at its option, rescind or cancel this Contract in accordance with the provisions of Article X of this Contract. The SELLER may at any time after the expiration of the aforementioned Two Hundred and Ten (210) days, if the BUYER has not served notice of cancellation pursuant to Article X, notify the BUYER of the date upon which the SELLER estimates the VESSEL will be ready for delivery and demand in writing that the BUYER make an election, in which case the BUYER shall, within thirty (30) days after such demand is received by the BUYER, either notify the SELLER of its decision to cancel this Contract, or consent to take delivery of the VESSEL at an agreed future date, it being understood and agreed by the parties hereto that, if the VESSEL is not delivered by such future date, the BUYER shall have the same right of cancellation upon the same terms, as hereinabove provided.

(d) For the purpose of this Article, the delivery of the VESSEL shall not be deemed delayed and the Contract Price shall not be reduced when and if the Delivery Date of the VESSEL is extended by reason of causes and provisions of Articles V, VI, XI, XII and XIII hereof. The Contract Price shall not be adjusted or reduced if the delivery of the VESSEL is delayed by reason of permissible delays as defined in Article VIII hereof.

(e) In the event that the SELLER is unable to deliver the VESSEL on the newly planned delivery date as declared, the VESSEL can, nevertheless, be delivered by the SELLER subject to BUYER'S confirmation at a date after such declared newly planned date.

In such circumstances, and for the purpose of determining the liquidated damages to the BUYER (according to the provisions of Paragraph 1(b) of this Article) and the BUYER's right to cancel or rescind this Contract (according to the provisions of Paragraph 1(c) of this Article), the newly planned delivery date declared by the SELLER shall not be in any way treated or taken as having substituted the original Delivery Date as defined in Article VII. The BUYER's aforesaid right for liquidated damages and to cancel or rescind this Contract shall be accrued, operated or exercised only to the extent as described in Paragraph 1(a), 1(b) and/or 1(c) of Article III. In whatever circumstances, the Delivery Date as defined in Article VII (not the newly planned delivery date as declared by the SELLER) shall be used to regulate, as so described in Paragraph 1 (a), 1(b) and/or 1(c) of Article III, the BUYER's right for liquidated damages and to rescind this Contract and the SELLER's liability to pay the aforesaid liquidated damages resulting from the delay in delivery of the VESSEL.

2. INSUFFICIENT SPEED

(a) The Contract Price of the VESSEL shall not be affected nor changed by reason of the actual speed (as determined by the Trial Run after correction according to the Specifications) being less than three tenths (3/10) of one knot below the guaranteed speed as specified in Paragraph 4 of Article I of this Contract.

(b) However, commencing with and including a deficiency of three tenths (3/10) of one knot in actual speed (as determined by the Trial Run after correction according to the Specifications) below the guaranteed speed as specified in Paragraph 4, Article I of this Contract, the Contract Price shall be reduced as follows:

In case of deficiency of less than 0.30 knot US$ 0.00

In case of deficiency
at or above 0.30 but below 0.40 knot US$ 62,000
at or above 0.40 but below 0.50 knot US$ 124,000
at or above 0.50 but below 0.60 knot US$ 186,000
at or above 0.60 but below 0.70 knot US$ 248,000
at or above 0.70 but below 0.80 knot US$ 310,000

(c) If the deficiency in actual speed (as determined by the Trial Run after correction according to the Specifications) of the VESSEL upon the Trial Run, is more than 0.80 knot below the guaranteed speed of 13.5 knots, then the BUYER may at its option reject the VESSEL and rescind this Contract in accordance with provisions of Article X of this Contract, or may accept the VESSEL at a reduction in the Contract Price as above provided, by United States Dollars Three Hundred Ten Thousand only (US$ 310,000) being the maximum.

3. EXCESSIVE FUEL CONSUMPTION

(a) The Contract Price of the VESSEL shall not be affected nor changed if the actual fuel consumption of the Main Engine, as determined by shop trial in manufacturer's works, as per the Specifications, is greater than the guaranteed fuel consumption as specified and required under the provisions of this Contract and the Specifications if such actual excess is equal to or less than Six percent (6%).

(b) However, if the actual fuel consumption as determined by shop trial is greater than Six percent (6%) above the guaranteed fuel consumption then, the Contract Price shall be reduced by the sum of United States Dollars Seventy Thousand (US$ 70,000) for each full one percent (1%) increase in fuel consumption in excess of the above said Six percent (6%) (fractions of one percent to be prorated).

(c) If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the guaranteed fuel consumption, the BUYER may, subject to the SELLER's right to effect alterations of corrections as specified in the following sub-paragraph of Article III 3 (c) hereof, at its option, rescind this Contract, in accordance with the

JIANGMEN NANYANG SHIP ENGINEERING CO. LTD provisions of Article X of this Contract or may accept the VESSEL at a reduction in the Contract Price by United States Dollars Two Hundred Eighty Thousand (US$ 280,000) being the maximum.

If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the guaranteed fuel consumption, the SELLER may investigate the cause of the non-conformity and the proper steps may promptly be taken to remedy the same and to make whatever corrections and alterations and / or re-shop trial test or tests as may be necessary to correct such non-conformity without extra cost to the BUYER. Upon completion of such alterations or corrections of such non-conformity, the SELLER shall promptly perform such further shop trials or any other tests, as may be deemed necessary to prove the fuel consumption of the Main Engine's conformity with the requirement of this Contract and the Specifications and if found to be satisfactory, give the BUYER notice by E-mail confirmed in writing of such correction and as appropriate, successful completion accompanied by copies of such results, and the BUYER shall, within six (6) business days after receipt of such notice, notify the SELLER by E-mail confirmed in writing of its acceptance or reject the re-shop trial together with the reasons and details therefor. If the BUYER fails to notify the SELLER by E-mail confirmed in writing of its acceptance or rejection of the re-shop trial together with the reasons and details therefor within six (6) Business Days period as provided herein, the BUYER shall be deemed to have accepted the shop trial.

4. DEADWEIGHT

(a) In the event that there is a deficiency in the actual deadweight of the VESSEL determined as provided in the Specifications, the Contract Price shall not be decreased if such deficiency is Five Hundred (500) metric tons or less below the guaranteed deadweight of 64,500 metric tons at assigned scantling draft.

(b) However, the Contract Price shall be decreased by the sum of United States Dollars Five Hundred (US$ 500) for each full metric ton of such deficiency being more than Five Hundred (500) metric tons.

(c) In the event that there should be a deficiency in the VESSEL's actual deadweight which exceeds One Thousand (1,000) metric tons below the guaranteed deadweight, the BUYER may, at its option, reject the VESSEL and rescind this Contract in accordance with the provisions of Article X of this Contract, or may accept the VESSEL with reduction in the Contract Price in the maximum amount of United States Dollars Two Hundred and Fifty Thousand (US$ 250,000).

5. EFFECT OF RESCISSION

It is expressly understood and agreed by the parties hereto that in any case as stated herein, if the BUYER rescinds this Contract pursuant to any provision under this Article, the BUYER, save its rights and remedy set out in Article X hereof, shall not be entitled to any liquidated damage or compensation whether described above or otherwise.

ARTICLE IV SUPERVISION AND INSPECTION

1. APPOINTMENT OF THE BUYER'S SUPERVISOR

The BUYER shall send in good time to and maintain at the SELLER's Shipyard, at the BUYER's own cost and expense, one or more representative(s) who shall be duly accredited in writing by the BUYER (such representative(s) being hereinafter collectively and individually called the "Supervisor") to supervise and survey the construction by the SELLER of the VESSEL, her engines and accessories, attendance at the tests and inspections relating to the VESSEL, its machinery, equipment and outfitting and any other matter in respect of which he is specifically authorized to act on BUYER's behalf. The SELLER hereby warrants that, the necessary visa for the Supervisor to enter China will be issued in order on demand and without delay provided that the Supervisor meets with the rules, regulations and laws of the People's Republic of China. The BUYER undertakes to give the SELLER adequate notice for the application of visa.

2. COMMENTS TO PLANS AND DRAWINGS

The parties hereto shall, within Thirty (30) days after signing of this Contract, mutually agree a list of all the plans and drawings, which are to be sent to the BUYER (hereinbelow called "the LIST"). Before arrival of the Supervisor at the SELLER's Shipyard, the plans and drawings specified in the LIST shall be sent to the BUYER, and the BUYER shall, within Twenty One (21) days after receipt thereof (excluding mailing time), return such plans and drawings submitted by the SELLER with comments, if any. Notwithstanding the above, the BUYER shall nevertheless waive its right to comment on the plans and drawings if such plans and drawings have, without amendment, been previously applied to build other vessels for the BUYER or its affiliates with the same specification as that of the VESSEL.

Concurrently with the arrival of the Supervisor at the SELLER's Shipyard, the BUYER shall notify the SELLER in writing, stating the authority which the said Supervisor shall have on behalf of the BUYER.

Unless notification is given to the SELLER by the BUYER of the comments to any plans and drawings within the above designated period of time for each case, the said plans and drawings shall be implemented for construction by the SELLER.

3. SUPERVISION AND INSPECTION BY THE SUPERVISOR

The necessary inspection of the VESSEL, its machinery, equipment and outfittings shall be carried out by the Classification Society, and/or inspection team of the SELLER throughout the entire period of construction in order to ensure that the construction of the VESSEL is duly performed in accordance with the Contract and Specifications.

The Supervisor shall have, at all times until delivery of the VESSEL, the right to attend tests according to the mutually agreed test list and inspect the VESSEL, her engines, accessories and materials at the SELLER's Shipyard, its subcontractors or any other place where work is done or materials stored in connection with the VESSEL. In the event that the Supervisor discovers any construction or material or workmanship which does not or will not conform to the requirements of this Contract and the Specifications, the Supervisor shall promptly give the SELLER a notice in writing as to such nonconformity, upon receipt of which the SELLER shall correct such nonconformity if the SELLER agrees with the BUYER. In any circumstances, the SELLER shall be entitled to proceed with the construction of the VESSEL even if there exists discrepancy in the opinion between the BUYER and the SELLER, without however prejudice to the BUYER's right for submitting the issue for determination by the Classification Society or arbitration in accordance with the provisions hereof. However the BUYER undertakes and assures the SELLER that the Supervisor shall carry out his inspections in accordance with the agreed inspection procedure and schedule and usual shipbuilding practice and in a way as to minimize any increase in building costs and delays in the construction of the VESSEL. Once a test has been witnessed and approved by the BUYER`s Representatives, the same test should not have to be repeated, provided it has been carried out in compliance with the requirements of the Classification Society and specifications.

The SELLER agrees to furnish free of charge the Supervisor with office space, and other reasonable facilities according to SELLER's practice at, or in the immediate vicinity of the SELLER's Shipyard. But the fees for the communication like telephone, telefax and telex, etc. shall be borne by the BUYER. At all times, during the construction of the VESSEL until delivery thereof, the Supervisor shall be given free and ready access to the VESSEL, her engines and accessories, and to any other place where the work is being done, or the materials are being processed or stored, in connection with the construction of the VESSEL, including the yards, workshops, stores of the SELLER, and the premises of subcontractors of the SELLER, who are doing work, or storing materials in connection with the VESSEL's construction. The travel expenses for the said access to SELLER's subcontractors outside of

Jiangmen, Guangzhou, and Zhuhai shall be at BUYER's account. The transportation in connection with VESSEL's construction within Jiangmen, Guangzhou, and Zhuhai shall be provided to the Supervisor by the SELLER.

4. LIABILITY OF THE SELLER

The Supervisor engaged by the BUYER under this Contract shall at all times be deemed to be in the employ of the BUYER. The SELLER shall be under no liability whatsoever to the BUYER, or to the Supervisor or the BUYER's employees or agents for personal injuries, including death, during the time when they, or any of them, are on the VESSEL, or within the premises of either the SELLER or its subcontractors, or are otherwise engaged in and about the construction of the VESSEL, unless, however, such personal injuries, including death, were caused by gross negligence of the SELLER, or of any of the SELLER's employees or agents or subcontractors of the SELLER. Nor shall the SELLER be under any liability whatsoever to the BUYER for damage to, or loss or destruction of property in China of the BUYER or of the Supervisor, or of the BUYER's employees or agents, unless such damage, loss or destruction was caused by gross negligence of the SELLER, or of any of the employees, or agents or subcontractors of the SELLER.

5. SALARIES AND EXPENSES

All salaries and expenses of the Supervisor, or any other employees employed by the BUYER under this Article, shall be for the BUYER's account.

6. REPORT OF PROGRESS

The BUYER is entitled to require the SELLER to report the condition of progress as to the construction of the VESSEL whenever the BUYER requires during the construction of the VESSEL.

7. REPLACEMENT OF SUPERVISOR

The SELLER has the right to request the BUYER in writing to replace any of the Supervisor who is deemed unsuitable and unsatisfactory for the proper progress of the VESSEL's construction together with reasons. The BUYER shall investigate the situation by sending its representative to the SELLER's yard, if necessary, and if the BUYER considers that such SELLER's request is justified, the BUYER shall effect the replacement as soon as conveniently arrangeable.

ARTICLE V MODIFICATION, CHANGES AND EXTRAS

1. HOW EFFECTED

The Specifications and Plans in accordance with which the VESSEL is constructed, may be modified and/or changed at any time hereafter by written agreement of the parties hereto, provided that such modifications and/or changes or an accumulation thereof will not, in the SELLER's reasonable judgment, adversely affect the SELLER's other commitments and provided further that the BUYER shall assent to adjustment of the Contract Price, time of delivery of the VESSEL and other terms of this Contract, if any, as hereinafter provided. Subject to the above, the SELLER hereby agree to exert their best efforts to accommodate such reasonable requests by the BUYER so that the said changes and/or modifications may be made at a reasonable cost and within the shortest period of time which is reasonable and possible. Any such agreement for modifications and/or changes shall include an agreement as to the increase or decrease, if any, in the Contract Price of the VESSEL together with an agreement as to any extension or reduction in the time of delivery, providing to the SELLER additional securities satisfactory to the SELLER, or any other alterations in this Contract, or the Specifications occasioned by such modifications and/or changes. The aforementioned agreement to modify and/or to change the Specifications may be effected by an exchange of duly authenticated letters, or E-mail manifesting such agreement. The letters, and E-mail exchanged by the parties hereto pursuant to the foregoing shall constitute an amendment of the Specifications under which the VESSEL shall be built, and such letters, and E-mail shall be deemed to be incorporated into this Contract and the Specifications by reference and made a part hereof. Upon consummation of the agreement to modify and/or to change the Specifications, the SELLER shall alter the construction of the VESSEL in accordance therewith, including any additions to, or deductions from, the work to be performed in connection with such construction. If due to whatever reasons, the parties hereto shall fail to agree on the adjustment of the Contract Price or extension of time of delivery or providing additional security to the SELLER or modification of any terms of this Contract which are necessitated by such modifications and/or changes, then the SELLER shall have no obligation to comply with the BUYER's request for any modification and/or changes.

2. CHANGES IN RULES AND REGULATIONS, ETC.

(1) If, after the date of signing this Contract, any requirements as to the rules

and regulations as specified in this Contract and the Specifications to which the construction of the VESSEL is required to conform, are altered or changed by the Classification Society or the other regulatory bodies authorized to make such alterations or changes, the SELLER and/or the BUYER, upon receipt of the notice thereof, shall transmit such information in full to each other in writing, whereupon within twenty one (21) days after receipt of the said notice by the BUYER from the SELLER or vice versa, the BUYER shall instruct the SELLER in writing as to the alterations or changes, if any, to be made in the VESSEL which the BUYER, in its sole discretion, shall decide. The SELLER shall promptly comply with such alterations or changes, if any in the construction of the VESSEL, provided that the BUYER shall first agree:

(a) As to any increase or decrease in the Contract Price of the VESSEL that is occasioned by the cost for such compliance; and/or

(b) As to any extension in the time for delivery of the VESSEL that is necessary due to such compliance; and/or

(c) As to any increase or decrease in the guaranteed deadweight and speed of the VESSEL, if such compliance results in increased or reduced deadweight and speed; and/or

(d) As to any other alterations in the terms of this Contract or of Specifications or both, if such compliance makes such alterations of the terms necessary.

Agreement as to such alterations or changes under this Paragraph shall be made in the same manner as provided above for modifications and/or changes of the Specifications and/or Plans.

(2) If, due to whatever reasons, the parties shall fail to agree on the adjustment of the Contract Price or extension of the time for delivery or increase or decrease of the guaranteed speed and deadweight or providing additional security to the SELLER or any alternation of the terms of this Contract, if any, then the SELLER shall be entitled to proceed with the construction of the VESSEL in accordance with, and the BUYER shall continue to be bound by, the terms of this Contract and Specifications without making any such alterations or changes.

WAIGAOQIAO / ... SHIP ENGINEERING CO., LTD

3. SUBSTITUTION OF MATERIALS AND/OR EQUIPMENT

In the event that any of the materials and/or equipment required by the Specifications or otherwise under this Contract for the construction of the VESSEL cannot be procured in time to effect delivery of the VESSEL, the SELLER may, provided the SELLER shall provide adequate evidence and the BUYER so agrees in writing, supply other materials and/or equipment of the equivalent quality, capable of meeting the requirements of the Classification Society and of the rules, regulations, requirements and recommendations with which the construction of the VESSEL must comply. Any such substitution of materials and / or equipment shall be effected at the SELLER's sale cost and expense.

4. BUYER'S SUPPLIED ITEMS

The BUYER shall deliver to the SELLER at its shipyard the items as specified in the Specifications which the BUYER shall supply on BUYER's account by the time designated by the SELLER.

Should the BUYER fail to deliver to the SELLER such items within the time specified, the delivery of the VESSEL shall automatically be extended for a period of such delay, provided such delay in delivery of the BUYER's supplied items shall affect the delivery of the VESSEL. In such event, the BUYER shall pay to the SELLER all losses and damages sustained by the SELLER due to such delay in the delivery of the BUYER's supplied items and such payment shall be made upon delivery of the VESSEL.

Furthermore, if the delay in delivery of the BUYER's supplied items should exceed fifteen (15) days, the SELLER shall be entitled to proceed with construction of the VESSEL without installation of such items in or onto the VESSEL, without prejudice to the SELLER's right hereinabove provided, and the BUYER shall accept the VESSEL so completed.

The SELLER shall be responsible for storing and handling of the BUYER's supplies as specified in the Specifications after delivery to the SELLER and shall install them on board the VESSEL at the SELLER's expenses.

Upon arrival of such shipment of the BUYER's supplied items, both parties shall undertake a joint unpacking inspection. If any damages are found to be not suitable for installation, the SELLER shall be entitled to refuse to accept the BUYER's supplied items.

ARTICLE VI TRIALS

1. NOTICE

The BUYER and the Supervisor shall receive from the SELLER at least thirty (30) days notice in advance and seven (7) days definite notice in advance in writing or by E-mail confirmed in writing, of the time and place of the VESSEL's sea trial as described in the Specifications (hereinafter referred to as "the Trial Run") and the BUYER and the Supervisor shall promptly acknowledge receipt of such notice. The BUYER's representatives and/or the Supervisor shall be on board the VESSEL to witness such Trial Run, and to check upon the performance of the VESSEL during the same. Failure of the BUYER's representatives to be present at the Trial Run of the VESSEL, after due notice to the BUYER and the Supervisor as provided above, shall have the effect to extend the date for delivery of the VESSEL by the period of delay caused by such failure to be present. However, if the Trial Run is delayed more than seven (7) days by reason of the failure of the BUYER's representatives to be present after receipt of due notice as provided above, then in such event, the BUYER shall be deemed to have waived its right to have its representatives on board the VESSEL during the Trial Run, and the SELLER may conduct such Trial Run without the BUYER's representatives being present, and in such case the BUYER shall be obliged to accept the VESSEL on the basis of a certificate jointly signed by the SELLER and the Classification Society certifying that the VESSEL, after Trial Run subject to minor alterations and corrections as provided in this Article, if any, is found to conform to the Contract and Specifications. The SELLER hereby warrants that the necessary visa for the BUYER's representatives to enter China will be issued in order on demand and without delay otherwise the Trial Run shall be postponed until after the BUYER's representatives have arrived at the SELLER's Shipyard and any delays as a result thereof shall not count as a permissible delay under Article VIII thereof. However, should the nationalities and other personal particulars of the BUYER's representatives be not acceptable in accordance with the relevant rules, regulations and/or Laws of the People's Republic of China then prevailing, then the BUYER shall, on the SELLER's E-mail advice and evidence, effect replacement of all or any of them immediately. Otherwise the Delivery Date as stipulated in Article VII hereof shall be extended by the delays so caused by the BUYER. In the event of unfavorable weather on the date specified for the Trial Run, the same shall take place on the first available day thereafter that the weather conditions permit. The parties hereto recognize that the weather conditions in Chinese waters in which the Trial Run is to take place are such that great changes in weather may arise momentarily and without warning and, therefore, it is agreed that if during the Trial Run of the VESSEL, the weather should suddenly become unfavorable, as would have precluded the continuance of the Trial Run, the Trial Run of the VESSEL shall be discontinued and postponed until the first favorable day next following, unless the BUYER shall assent by E-mail and confirm in writing of its acceptance of the VESSEL on the basis of the Trial Run made prior to such sudden change in weather conditions. In the event that the Trial Run is postponed because of unfavorable weather conditions, such delay shall be regarded as a permissible delay, as specified in Article VIII hereof.

2. HOW CONDUCTED

(a) All expenses in connection with Trial Run of the VESSEL are to be for the account of the SELLER, who, during the Trial Run and when subjecting the VESSEL to Trial Run, is to provide, at its own expense, the necessary crew to comply with conditions of safe navigation. The Trial Run shall be conducted in the manner prescribed in the Specifications and shall prove fulfillment of the performance required for the Trial Run as set forth in the Specifications.

The course of Trial Run shall be determined by the SELLER and shall be conducted using certified speed measuring facilities.

(b) The SELLER shall provide the VESSEL with the required quantities of water, fuel oil and greases with exception of lubrication oil and hydraulic oil which shall be supplied by the BUYER for the conduct of the Trial Run or Trial Runs as prescribed in the Specifications. The fuel oil and greases supplied by the SELLER, and lubricating oil and hydraulic oil supplied by the BUYER shall be in accordance with the applicable engine specifications, and the cost of the quantities of water, fuel oil, lubricating oil, hydraulic oil and greases consumed during the Trial Run or Trial Runs shall be for the account of the SELLER.

3. TRIAL LOAD DRAFT

In addition to the supplies provided by the BUYER in accordance with sub-paragraph (b) of the preceding Paragraph 2 hereof, the SELLER shall provide the VESSEL with the required quantity of fresh water and other stores necessary for the conduct of the Trial Run. The necessary ballast (fresh and sea water and such other ballast as may be required) to bring the VESSEL to the trial load draft as specified in the Specifications, shall be for the SELLER's account.

4. METHOD OF ACCEPTANCE OR REJECTION

(a) Upon notification of the SELLER of the completion of the Trial Run of the VESSEL, the BUYER or the BUYER's Supervisor shall within six (6) days thereafter, notify the SELLER by E-mail confirmed in writing of its acceptance of the VESSEL or of its rejection of the VESSEL together with the reasons therefor.

(b) However, should the result of the Trial Run indicate that the VESSEL or any part thereof including its equipment does not conform to the requirements of this Contract and Specifications, then the SELLER shall investigate with the Supervisor the cause of failure and the proper steps shall be taken to remedy the same and shall make whatever corrections and alterations and/or re-Trial Run or Runs as may be necessary without extra cost to the BUYER, and upon notification by the SELLER of completion of such alterations or corrections and/or re-trial or re-trials, the BUYER shall, within six (6) days thereafter, notify the SELLER by E-mail confirmed in writing of its acceptance of its VESSEL or of the rejection of the VESSEL together with the reason therefor on the basis of the alterations and corrections and/or re-trial or re-trials by the SELLER.

(c) In the event that the BUYER fails to notify the SELLER by E-mail confirmed in writing of its acceptance or rejection of the VESSEL together with the reason therefor within six (6) days period as provided for in the above sub-paragraphs (a) and (b), the BUYER shall be deemed to have accepted the VESSEL.

(d) Any dispute arising among the parties hereto as to the result of any Trial Run or further tests or trials, as the case may be, of the VESSEL shall be solved by reference to arbitration as provided in Article XIII hereof.

(e) Nothing herein shall preclude the BUYER from accepting the VESSEL with its qualifications and/or remarks following the Trial Run and/or further tests or trials as aforesaid and the SELLER shall be obliged to comply with and/or remove such qualifications and/or remarks (if such qualifications and/or remarks are acceptable to the SELLER) at the time before effecting delivery of the VESSEL to the BUYER under this Contract.

5. DISPOSITION OF SURPLUS CONSUMABLE STORES

Should any amount of fuel oil, fresh water, or other unbroached consumable stores furnished by the SELLER for the Trial Run or Trial Runs remain on board the VESSEL at the time of acceptance thereof by the BUYER, the BUYER agrees to buy the same from the SELLER at the original price incurred by the SELLER, and payment by the BUYER shall be effected as provided in Article II 3 (d) and 4 (d) of this Contract.

The BUYER shall supply lubricating oil and hydraulic oil for the purpose of Trial Runs at its own expenses and the SELLER will reimburse for the amount of lubricating oil and hydraulic oil actually consumed for the said Trial Run or Trial Runs at the original price incurred by the BUYER and payment by the SELLER shall be effected as provided in Article II 3(d) and 4(d) of this Contract.

6. EFFECT OF ACCEPTANCE

The BUYER's acceptance of the VESSEL by written or E-mail notification sent to the SELLER, in accordance with the provisions set out above, shall be final and binding so far as conformity of the VESSEL to this Contract and the Specifications is concerned, and shall preclude the BUYER from refusing formal delivery by the SELLER of the VESSEL, as hereinafter provided, if the SELLER complies with all other procedural requirements for delivery as hereinafter set forth.

If, at the time of delivery of the VESSEL, there are deficiencies in the VESSEL, such deficiencies should be resolved in such way that if the deficiencies are of minor importance, and do not in any way affect the safety or the operation of the VESSEL, its crew, passengers or cargo the SELLER shall be nevertheless entitled to tender the VESSEL for delivery and the BUYER shall be nevertheless obliged to take delivery of the VESSEL, provided that the SELLER shall for its own account remedy the deficiency and fulfill the requirements as soon as possible.

ARTICLE VII DELIVERY

1. TIME AND PLACE

The VESSEL shall be delivered safely afloat by the SELLER to the BUYER at the SELLER's Shipyard or other public wharf in Jiangmen city or Zhuhai city area, in accordance with the Specifications and with all Classification and Statutory Certificates and after completion of Trial Run (or, as the case may be, re-Trial or re-Trials) and acceptance by the BUYER in accordance with the provisions of Article VI hereof on or before **31st December 2030** provided that, in the event of delays in the construction of the VESSEL or any performance required under this Contract due to causes which under the terms of the Contract permit extension of the time for delivery, the aforementioned time for delivery of the VESSEL shall be extended accordingly.

The aforementioned date or such later date to which delivery is extended pursuant to the terms of this Contract is hereinafter called the "Delivery Date".

2. WHEN AND HOW EFFECTED

Provided that the BUYER and the SELLER shall each have fulfilled all of their respective obligations as stipulated in this Contract, delivery of the VESSEL shall be effected forthwith by the concurrent delivery by each of the parties hereto, one to the other, of the Protocol of Delivery and Acceptance, acknowledging delivery of the VESSEL by the SELLER and acceptance thereof by the BUYER, which Protocol shall be prepared in duplicate and executed by each of the parties hereto.

3. DOCUMENTS TO BE DELIVERED TO THE BUYER

Upon acceptance of the VESSEL by the BUYER, the SELLER shall deliver to the BUYER the following documents (subject to the provision contained in Article V 2 hereof) which shall accompany the aforementioned Protocol of Delivery and Acceptance:

(a) PROTOCOL OF TRIALS of the VESSEL made by the SELLER pursuant to the Specifications.

(b) PROTOCOL OF INVENTORY of the equipment of the VESSEL including spare part and the like, all as specified in the Specifications, made by the SELLER.

(c) PROTOCOL OF STORES OF CONSUMABLE NATURE made by the SELLER referred to under Paragraph 5 of Article VI hereof.

(d) FINISHED DRAWINGS AND PLANS and INSTRUCTION MANUALS pertaining to the VESSEL as stipulated in the Specifications, made by the SELLER.

(e) PROTOCOL OF DEADWEIGHT AND INCLINING EXPERIMENT, made by the SELLER.

(f) ALL CERTIFICATES required to be furnished upon delivery of the VESSEL pursuant to the Specifications.

Certificates shall be issued by relevant Authorities or Classification Society. The VESSEL shall comply with the above rules and regulations which are in force at the time of signing this Contract. All the certificates shall be delivered in one (1) original to the VESSEL and two (2) copies to the BUYER.

If the full term certificate or certificates are unable to be issued at the time of delivery by the Classification Society or any third party other than the SELLER, then the provisional certificate or certificates as issued by The Classification Society or the third party other than the SELLER with the full term certificates to be furnished by the SELLER after delivery of the VESSEL and in any event before the expiry of the provisional certificates shall be acceptable to the BUYER.

(g) Non-registration Certificate & Non-mortgage Certificate issued by the SELLER stating that the VESSEL is delivered to the BUYER free and clear of any liens, charges, claims, mortgages, or other encumbrances upon the BUYER's title thereto, and in particular, that the VESSEL is absolutely free of all burdens in the nature of imposts, taxes or charges imposed by the province or country of the port of delivery, as well as of all liabilities of the SELLER to its sub-contractors, employees and crews and/or all liabilities arising from the operation of the VESSEL in Trial Run or Trial Runs, or otherwise, prior to delivery.

(h) COMMERCIAL INVOICE issued by SELLER.

(i) BILL OF SALE issued by the SELLER with notarized and apostilled.

(j) Builder's Certificate issued by the SELLER with notarized and apostilled (Original shall be provided to the BUYER required due to registration purposes.)

4. TITLE AND RISK

Title to and risk of the VESSEL shall pass to the BUYER only upon delivery thereof. As stated above, it being expressly understood that, until such delivery is effected, title to the VESSEL, and her equipment, shall remain at all times with the SELLER unencumbered and are at the entire risk of the SELLER.

5. REMOVAL OF VESSEL

The BUYER shall take possession of the VESSEL immediately upon delivery and acceptance thereof, and shall remove the VESSEL from the premises of the SELLER or other public wharf in Jiangmen city or Zhuhai city area within seven (7) days after delivery and acceptance thereof is effected. If the BUYER shall not remove the VESSEL from the premises of the SELLER or other public wharf in Jiangmen city or Zhuhai city area within the aforesaid seven (7) days, then, in such event, without prejudice to the SELLER's right to require the BUYER to remove the VESSEL immediately at any time thereafter, the BUYER shall pay to the SELLER the reasonable mooring charge of the VESSEL.

6. TENDER OF THE VESSEL

If the BUYER fails to take delivery of the VESSEL after completion thereof according to this Contract and the Specifications without justified reason, the SELLER shall have the right to tender the VESSEL for delivery after compliance with all procedural requirements as above provided.

ARTICLE VIII DELAYS & EXTENSION OF TIME FOR DELIVERY

1. CAUSE OF DELAY

If, at any time before actual delivery, either the construction of the VESSEL, or any performance required hereunder as a prerequisite of delivery of the VESSEL, is delayed due to war, blockade, revolution, insurrection, mobilization, civil commotions, riots, strikes (not including strikes at the SELLER's or subcontractor's Shipyard), sabotage, lockouts (not including lockouts at the SELLER's or subcontractor's Shipyard), local temperature higher than 35 degree centigrade, Acts of God or the public enemy, terrorism, plague or other epidemics, quarantines, prolonged failure or restriction of electric current from an outside source, freight embargoes, if any, earthquakes, tidal waves, typhoons, hurricanes, storms or other causes beyond the control of the SELLER or of its sub-contractors, as the case may be, or by force majeure of any description, whether of the nature indicated by the forgoing or not, or by destruction of the SELLER or works of the SELLER or its sub-contractors, or of the VESSEL or any part thereof, by fire, flood, or other causes beyond the control of the SELLER or its sub-contractors as the case may be, or due to the bankruptcy of the equipment and/or material supplier or suppliers, or due to the delay caused by acts of God in the supply of parts essential to the construction of the VESSEL, provided that:

(a) such delay or event has not been caused by any negligence or intentional act of the SELLER or its subcontractors; and

(b) the SELLER shall use all reasonable efforts to prevent or minimize any delay in the construction of the VESSEL resulting from such events (including but without limitation) : the obtaining of items from alternative sources and the introduction of overtime; and

(c) the delay caused by aforementioned local temperature higher than 35 degree centigrade and prolonged failure or restriction of electric current from an outside source shall be limited to maximum 10 days in total for the two events.

Then, in the event of delay due to the happening of any of the aforementioned contingencies, the SELLER shall not be liable for such delay and the time for delivery of the VESSEL under this Contract shall be extended without any reduction in the Contract Price for a period of time which shall not exceed the total accumulated time of all such delays, subject nevertheless to the BUYER's right of cancellation under Paragraph 3 of this Article and subject however to all relevant provisions of this Contract which authorize and permit extension of the time of delivery of the VESSEL.

2. NOTICE OF DELAY

Within seven (7) days from the date of commencement of any delay on account of which the SELLER claims that it is entitled under this Contract to an extension of the time for delivery of the VESSEL, the SELLER shall advise the BUYER by E-mail confirmed in writing, of the date such delay commenced, and the reasons therefor.

Likewise within seven (7) days after such delay ends, the SELLER shall advise the BUYER in writing or by E-mail confirmed in writing, of the date such delay ended, and also shall specify the maximum period of the time by which the date for delivery of the VESSEL is extended by reason of such delay. Failure of the BUYER to acknowledge the SELLER's notification of any claim for extension of the Delivery Date within thirty (30) days after receipt by the BUYER of such notification, shall be deemed to be a waiver by the BUYER of its right to object to such extension. Failure by the SELLER to provide such advice shall be deemed to be a waiver of SELLER's right to claim such extension.

3. RIGHT TO CANCEL FOR EXCESSIVE DELAY

If the total accumulated time of all permissible delays and non-permissible delays aggregate to two hundred and ten (210) days or more, excluding delays due to arbitration as provided for in Article XIII hereof or due to default in performance by the BUYER, or due to delays in delivery of the BUYER's supplied items, and excluding delays due to causes which, under Article II, V, VI, XI and XII hereof, permit extension or postponement of the time for delivery of the VESSEL , then in such event, the BUYER may in accordance with the provisions set out herein cancel this Contract by serving upon the SELLER an Email notice of cancellation which shall be confirmed in writing and the provisions of Article X of this Contract shall apply. The SELLER may, at any time, after the accumulated time of the aforementioned delays justifying cancellation by the BUYER as above provided for, demand in writing that the BUYER shall make an election, in which case the BUYER shall, within thirty (30) days after such demand is received by the BUYER either notify the SELLER of its intention to cancel, or consent to an extension of the time for delivery to an agreed future date, it being understood and agreed by the parties

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hereto that, if any further delay occurs on account of causes justifying cancellation as specified in this Contract, the BUYER shall have the same right of cancellation upon the same terms as hereinabove provided.

4. DEFINITION OF PERMISSIBLE DELAY

Delays on account of such causes as provided for in Paragraph 1 of this Article excluding any other delays of a nature which under the terms of this Contract permit postponement of the Delivery Date, shall be understood to be (and are herein referred to as) permissible delays, and are to be distinguished from non-permissible delays on account of which the Contract Price of the VESSEL is subject to adjustment as provided for in Article III hereof.

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ARTICLE IX WARRANTY OF QUALITY

1. GUARANTEE OF MATERIAL AND WORKMANSHIP

The SELLER, for a period of twelve (12) months from the date of delivery to the BUYER of the VESSEL, or as for repaired or replacement parts, twelve (12) months from the date of repair or replacement but in any case not exceeding maximum fifteen (15) months from the date of delivery to the BUYER of the VESSEL, guarantees the VESSEL, her hull and machinery and all parts and equipment thereof that are manufactured or furnished or supplied by the SELLER and/or its subcontractors under this Contract including material, equipment (however excluding any parts for the VESSEL which have been supplied by or on behalf of the BUYER) against all defects which are due to defective design, materials, or equipment, errors, construction, miscalculation and/or poor workmanship. However, the guarantee period for the paint shall be as per the Specification.

To the extent that any warranty or guarantee provided by any subcontractor or supplier is of wider scope or remains in effect after the expiry of the twelve (12) month period laid down in this paragraph, such warranty or guarantee shall, on such expiry, be assigned to the BUYER.

2. NOTICE OF DEFECTS

The BUYER shall notify the SELLER in writing, or by E-mail confirmed in writing, as promptly as possible, after discovery of any defect or deviations for which a claim is made under this guarantee. The BUYER's written notice shall describe the nature of the defect and the extent of the damage caused thereby. The SELLER shall have no obligation under this guarantee for any defects discovered prior to the expiry date of the guarantee, unless notice of such defects, is received by the SELLER not later than seven (7) days after such expiry date. Telefaxed or telexed or E-mail advice with brief details explaining the nature of such defect and extent of damage within seven (7) days after such expiry date and that a claim is forthcoming will be sufficient compliance with the requirements as to time.

3. REMEDY OF DEFECTS

The SELLER shall remedy at its expense any defects, against which the VESSEL or any part of the equipment thereof is guaranteed under this Article by making all necessary repairs and/or replacement. Such repairs and/or replacement will be made by the SELLER.

However, if it is impractical to make the repair by the SELLER, and if forwarding by the SELLER of replacement parts, and materials cannot be accomplished without impairing or delaying the operation or working of the VESSEL, then, in any such event, the BUYER shall, cause the necessary repairs or replacements to be made elsewhere at the discretion of the BUYER provided that the BUYER shall first and in all events, will, as soon as possible, give the SELLER notice in writing, or by E-mail confirmed in writing of the time and place such repairs will be made and, if the VESSEL is not thereby delayed, or her operation or working is not thereby delayed, or her operation or working is not thereby impaired, the SELLER shall have the right to verify by its own representative(s) or that of Classification Society the nature and extent of the defects complained of. The SELLER shall, in such cases, promptly advise the BUYER, by E-mail, after such examination has been completed, of its acceptance or rejection of the defects as ones that are subject to the guarantee herein provided.

In any circumstances as set out below, the SELLER shall immediately pay to the BUYER in United States Dollars by telegraphic transfer the actual cost for such repairs or replacements including forwarding charges, or at the average cost for making similar repairs or replacements including forwarding charges as quoted by a leading shipyard each in China, South Korea and Singapore, whichever is lower:

(a) Upon the SELLER's acceptance of the defects as justifying remedy under this Article, or

(b) If the SELLER neither accepts nor rejects the defects as above provided, nor request arbitration within thirty (30) days after its receipt of the BUYER's notice of defects.

Any dispute shall be referred to arbitration in accordance with the provisions of Article XIII hereof.

4. EXTENT OF THE SELLER'S LIABILITY

The SELLER shall have no obligation and/or liabilities with respect to defects discovered after the expiration of the period of guarantee specified above.

The SELLER shall be liable to the BUYER for defects and damages caused by any of the defects specified in Paragraph 1 of this Article provided that such liability of the SELLER shall be limited to damage occasioned within the guarantee period specified in Paragraph 1 above. The SELLER shall not be obligated to repair, or to be liable for, damages to the VESSEL, or to any part of the equipment thereof, due to ordinary wear and tear or caused by the defects other than those specified in Paragraph 1 above, nor shall there be any SELLER's liability hereunder for defects in the VESSEL, or any part of the equipment thereof, caused by fire or accidents at sea or elsewhere, or mismanagement, accidents, negligence, or willful neglect, on the part of the BUYER, its employees or agents including the VESSEL's officers, crew and passengers, or any persons on or doing work on the VESSEL other than the SELLER, its employees, agents or sub-contractors. Likewise, the SELLER shall not be liable for defects in the VESSEL, or the equipment or any part thereof, due to repairs or replacement which were made by those other than the SELLER and/or their sub-contractors.

Upon delivery of the VESSEL to the BUYER, in accordance with the terms of the Contract, the SELLER shall thereby and thereupon be released of all responsibility and liability whatsoever and howsoever arising under or by virtue of this Contract (save in respect of those obligations to the BUYER expressly provided for in this Article IX) including without limitation, any responsibility or liability for defective workmanship, materials or equipment, design or in respect of any other defects whatsoever and any loss or damage resulting from any act, omission or default of the SELLER. SELLER shall not in any circumstances, be liable for any consequential loss or special loss, or expenses arising from any cause whatsoever including, without limitation, loss of time, loss of profit or earnings or demurrage directly from any commitments of the BUYER in connection with the VESSEL.

The Guarantee provided in this Article and the obligations and the liabilities of the SELLER hereunder are exclusive and in lieu of and the BUYER hereby waives all other remedies, warranties, guarantees or liabilities, express or implied, arising by Law or otherwise (including without limitation any obligations of the SELLER with respect to fitness, merchantability and consequential damages) or whether or not occasioned by the SELLER's negligence. This Guarantee shall not be extended, altered or varied except by a written instrument signed by the duly authorized representatives of the SELLER, and the BUYER.

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ARTICLE X CANCELLATION, REJECTION AND RESCISSION BY THE BUYER

1. All payments made by the BUYER prior to the delivery of the VESSEL shall be in the nature of advance to the SELLER. In the event the BUYER shall exercise its right of cancellation and/or rescission of this Contract under and pursuant to any of the provisions of this Contract specifically permitting the BUYER to do so, then the BUYER shall notify the SELLER in writing or by E-mail confirmed in writing, and such cancellation and/or rescission shall be effective as of the date the notice thereof is received by the SELLER.

2. Thereupon the SELLER shall refund in United States dollars immediately to the BUYER the full amount of all sums paid by the BUYER to the SELLER on account of the VESSEL, unless the SELLER disputes the BUYER's cancellation and/or rescission by instituting arbitration in accordance with Article XIII. If the BUYER's cancellation or rescission of this Contract is disputed by the SELLER by instituting arbitration as aforesaid, then no refund shall be made by the SELLER, and the BUYER shall not be entitled to demand repayment from SELLER under its guarantee, until the arbitration award between the BUYER and the SELLER or, in case of appeal or appeals by the SELLER on the arbitration award or any court orders, by the final court order, which shall be in favor of the BUYER, declaring the BUYER's cancellation and/or rescission justified, is made and delivered to the SELLER by the arbitration tribunal or final competent London Court having jurisdiction on the dispute. In the event of the SELLER is obligated to make refundment, the SELLER shall pay the BUYER interest in United States Dollars at the rate of six percent (6%) per annum, if the cancellation or rescission of the Contract is exercised by the BUYER in accordance with the provision of Article III 1(c), 2(c), 3(c) or 4(c) hereof, on the amount required herein to be refunded to the BUYER computed from the respective dates when such sums were received by the Bank nominated by the SELLER pursuant to Article II 4(a) , 4(b) or 4(c) from the BUYER to the date of remittance by telegraphic transfer of such refund to the BUYER by the SELLER, provided, however, that if the said rescission by the BUYER is made under the provisions of Paragraph 3 of Article VIII or the VESSEL is determined to be an actual or constructive total loss, then in such event the SELLER shall not be required to pay any interest.

3. Upon such refund by the SELLER to the BUYER, all obligations, duties and liabilities of each of the parties hereto to the other under this Contract shall be forthwith completely discharged.

ARTICLE XI BUYER'S DEFAULT

1. DEFINITION OF BUYER'S DEFAULT

The BUYER shall be deemed in default of its obligation under the Contract if any of the following events occurs:

(a) The BUYER fails to pay any of the 2nd or 3rd installment to the SELLER when any such installment becomes due and payable under the provisions of Article II hereof and provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(b) The BUYER fails to pay the 4th installment to the SELLER in accordance with Paragraph 3(d) and 4(d) of Article II hereof provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(c) The BUYER fails to take delivery of the VESSEL, when the VESSEL is duly tendered for delivery by the SELLER under the provisions of Article VII hereof.

2. NOTICE OF BUYER'S DEFAULT

If the BUYER is in default of payment or in performance of its obligations as provided hereinabove, the SELLER shall notify the BUYER to that effect by E-mail after the date of occurrence of the default as per Paragraph 1 of this Article and the BUYER shall forthwith acknowledge by E-mail to the SELLER that such notification has been received. In case the BUYER does not give the aforesaid E-mail acknowledgment to the SELLER within three (3) calendar days it shall be deemed that such notification has been duly received by the BUYER.

3. INTEREST AND CHARGE

(a) If the BUYER is in default of payment as to any installment as provided in Paragraph 1 (a) and/or 1 (b) of this Article, the BUYER shall pay interest on such installment at the rate of six percent (6 %) per annum until the date of the payment of the full amount, including all aforesaid interest. In case the BUYER shall fail to take delivery of the VESSEL when required to as provided in Paragraph 1 (c) of this Article, the BUYER shall be deemed in default of payment of the 4th installment and shall pay interest thereon at the same rate as aforesaid from and including the day on which the VESSEL is tendered for delivery by the SELLER, as provided in Article VII Paragraph 6 hereof.

(b) In any event of default by the BUYER under 1 (a) or 1 (b) or 1 (c) above, the BUYER shall also pay all direct costs, charges and expenses reasonably incurred by the SELLER in consequence of such default.

4. BUYER'S DEFAULT BEFORE DELIVERY OF THE VESSEL

(a) If any default by the BUYER occurs as defined in Paragraph 1 (a) or 1 (b) or 1 (c) of this Article, the Delivery Date shall, at the SELLER's option, be postponed for a period of continuance of such default by the BUYER.

(b) If any such default as defined in Paragraph 1 (a) or 1 (b) or 1 (c) of this Article committed by the BUYER continues for a period of fifteen (15) days, then, the SELLER shall have all following rights and remedies:

(i) The SELLER may, at its option, cancel or rescind this Contract, provided the SELLER has notified the BUYER of such default pursuant to Paragraph 2 of this Article, by giving notice of such effect to the BUYER by E-mail confirmed in writing. Upon receipt by the BUYER of such E-mail notice of cancellation or rescission, all of the BUYER's Supplies shall forthwith become the sole property of the SELLER, and the VESSEL and all its equipment and machinery shall be at the sole disposal of the SELLER for sale or otherwise; and

(ii) In the event of such cancellation or rescission of this Contract, the SELLER shall be entitled to retain any installment or installments of the Contract Price paid by the BUYER to the SELLER on account of this Contract.

(iii) (Applicable to any BUYER's default defined in 1(a) of this Article) The SELLER shall, without prejudice to the SELLER's right to recover from the BUYER the 4th installment, interest, costs and/or expenses by applying the proceeds to be obtained by sale of the VESSEL in accordance with the provisions set out in this Contract, have the right to declare all unpaid 2nd and 3rd installments to be forthwith due and payable, and upon such declaration, the SELLER shall have the right to immediately demand the payment of the aggregate amount of all unpaid 2nd and 3rd installments from the Payment Guarantor in accordance with the terms and conditions of the guarantee issued by the Guarantor.

5. SALE OF THE VESSEL

(a) In the event of cancellation or rescission of this Contract as above provided, the SELLER shall have full right and power either to complete or not to complete the VESSEL as it deems fit, and to sell the VESSEL at a public or private sale on such terms and conditions as the SELLER thinks fit without being answerable for any loss or damage occasioned to the BUYER thereby.

In the case of sale of the VESSEL, the SELLER shall give telefax, or telex, or E-mail or written notice to the BUYER.

(b) In the event of the sale of the VESSEL in its completed state, the proceeds of sale received by the SELLER shall be applied firstly to payment of all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all unpaid installments and/or unpaid balance of the Contract Price and interest on such installment at the interest rate as specified in the relevant provisions set out above from the respective due dates thereof to the date of application.

(c) In the event of the sale of the VESSEL in its incomplete state, the proceeds of sale received by the SELLER shall be applied firstly to all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all costs of construction of the VESSEL (such costs of construction, as herein mentioned, shall include but are not limited to all costs of labour and/or prices paid or to be paid by the SELLER for the equipment and/or technical design and/or materials purchased or to be purchased, installed and/or to be installed on the VESSEL) and/or any fees, charges, expenses and/or royalties incurred and/or to be incurred for the VESSEL less the installments so retained by the SELLER, and compensation to the SELLER for a reasonable sum of loss of profit due to the cancellation or rescission of this Contract.

(d) In either of the above events of sale, if the proceed of sale exceeds the total of the amounts to which such proceeds are to be applied as aforesaid, the SELLER shall promptly pay the excesses to the BUYER without interest, provided, however that the amount of each payment to the BUYER shall in no event exceed the total amount of installments already paid by the BUYER and the cost of the BUYER's supplies, if any.

(e) If the proceed of sale are insufficient to pay such total amounts payable as aforesaid, the BUYER shall promptly pay the deficiency to the SELLER upon request.

ARTICLE XII INSURANCE

1. EXTENT OF INSURANCE COVERAGE

From the time of keel-laying of the first section of the VESSEL until the same is completed, delivered to and accepted by the BUYER, the SELLER hereby undertakes, at its own cost and expense, to keep the VESSEL and all machinery, materials, equipment, appurtenances and outfit, delivered to the SELLER for the VESSEL or built into, or installed in or upon the VESSEL, including the BUYER's Supplies, fully insured with first class Chinese insurance companies for SELLER's Risks.

The amount of such insurance coverage shall, up to the date of delivery of the VESSEL, be in an amount at least equal to, but not limited to, the aggregate of the payments made by the BUYER to the SELLER including the actual value of the BUYER's Supplies. The policy referred to hereinabove shall be taken out in the name of the SELLER and all losses under such policy shall be payable to the SELLER.

2. APPLICATION OF RECOVERED AMOUNT

(a) Partial Loss:

In the event the VESSEL shall be damaged by any insured cause whatsoever prior to acceptance and delivery thereof by the BUYER and in the further event that such damage shall not constitute an actual or a constructive total loss of the VESSEL, the SELLER shall apply the amount recovered under the insurance policy referred to in Paragraph 1 of this Article to the repair of such damage satisfactory to the Classification Society and other institutions or authorities as described in the Specifications without additional expenses to the BUYER, and the BUYER shall accept the VESSEL under this Contract if completed in accordance with this Contract and Specifications.

(b) Total Loss:

However, in the event that the VESSEL is determined to be an actual or constructive total loss, the SELLER shall either:

(i) By the mutual agreement between the parties hereto, proceed in accordance with terms of this Contract, in which case the amount recovered under said insurance policy shall be applied to the reconstruction and/or repair of the VESSEL's damages and/or reinstallation of BUYER's supplies, provided the parties hereto shall have first agreed in writing as to such reasonable extension of the Delivery Date and adjustment of other terms of this Contract including the Contract Price as may be necessary for the completion of such reconstruction; or

(ii) If due to whatever reasons the parties fail to agree on the above, then refund immediately to the BUYER the amount of all installments paid to the SELLER under this Contract without interest and insurance cover for the BUYER'S supply items, whereupon this Contract shall be deemed to be canceled and all rights, duties, liabilities and obligations of each of the parties to the other shall terminate forthwith.

Within thirty (30) days after receiving E-mail notice of any damage to the VESSEL constituting an actual or a constructive total loss, the BUYER shall notify the SELLER in writing or by E-mail of its agreement or disagreement under this sub-paragraph. In the event the BUYER fails to so notify the SELLER, then such failure shall be construed as a disagreement on the part of the BUYER. This Contract shall be deemed as rescinded and canceled and the BUYER shall receive the refund as point (ii) hereinabove and the provisions hereof shall apply.

3. TERMINATION OF THE SELLER'S OBLIGATION TO INSURE

The SELLER's obligation to insure the VESSEL hereunder shall cease and terminate forthwith upon delivery thereof to and acceptance by the BUYER.

ARTICLE XIII DISPUTES AND ARBITRATION

1. PROCEEDINGS

In the event of any dispute between the parties hereto as to any matter arising out of or relating to this Contract or any stipulation herein or with respect thereto which cannot be settled by the parties themselves, such dispute shall be resolved by arbitration in London, England in accordance with the Laws of England and in accordance with the rules of the London Maritime Arbitrators Association. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute.

In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators may apply to any court in England or other official organization in England having jurisdiction in such matter to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators as the case may be, unless appealed by either party, shall be final, conclusive and binding upon the parties hereto.

2. ALTERNATIVE ARBITRATION BY AGREEMENT

Notwithstanding the preceding provisions of this Article, it is recognized that in the event of any dispute or difference of opinion arising in regard to the construction of the VESSEL, her machinery and equipment, or concerning the quality of materials or workmanship thereof or thereon, such dispute may be referred to the Classification Society upon mutual agreement of the parties hereto. In such case, the opinion of the Classification Society shall be final and binding on the parties hereto.

3. NOTICE OF AWARD

The award shall immediately be given to the SELLER and the BUYER in writing or by E-mail confirmed in writing.

4. EXPENSES

The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear.

5. AWARD OF ARBITRATION

Award of arbitration, unless appealed by either party, shall be final and binding upon the parties concerned. The right of appeal shall be in accordance with the laws of England.

6. ENTRY IN COURT

Judgment upon the award may be entered in any court having jurisdiction thereof.

7. ALTERATION OF DELIVERY TIME

In the event of reference to arbitration of any dispute arising out of matters occurring prior to delivery of the VESSEL, the SELLER shall not be entitled to extend the Delivery Date as defined in Article VII hereof and the BUYER shall not be entitled to postpone its acceptance of the VESSEL on the Delivery Date or on such newly planned time of delivery of the VESSEL as declared by the SELLER. However, if the construction of the VESSEL is affected by any arbitration or court proceeding, the SELLER shall then be permitted to extend the Delivery Date as defined in Article VII and the decision or the award shall include a finding as to what extent the SELLER shall be permitted to extend the Delivery Date.

ARTICLE XIV RIGHT OF ASSIGNMENT

Neither of the parties hereto shall assign this Contract to any other individual, firm, company or corporation unless prior consent of the other party is given in writing.

A prior consent to the assignment of the rights under this contract to the financing bank of the BUYER for security purposes is herewith given. However, the BUYER shall guarantee that the Shipbuilding Contract Assignment between the BUYER and its financing bank must in any way not impair the SELLER'S rights.

The assigning party remains fully liable for its obligations hereunder.

ARTICLE XV TAXES AND DUTIES

1. TAXES

All costs for taxes including stamp duties, if any, incurred in connection with this Contract in the People's Republic of China shall be borne by the SELLER. Any taxes and/or duties imposed upon those items or services procured by the SELLER in the People's Republic of China or elsewhere for the construction of the VESSEL shall be borne by the SELLER.

2. DUTIES

The SELLER shall indemnify the BUYER for, and hold it harmless against, any duties imposed in the People's Republic of China upon materials and equipment which under the terms of this Contract and/or the Specifications will, or may be, supplied by the BUYER from the abroad for installation in the VESSEL as well as any duties imposed in the People's Republic of China upon running stores, provisions and supplies furnished by the BUYER from abroad to be stocked on board the VESSEL and also from the payment of export duties, if any, to be imposed upon the VESSEL as a whole or upon any of its parts or equipment.

Any tax or duty other than those described hereinabove, if any, shall be borne by the BUYER.

ARTICLE XVI PATENTS, TRADEMARKS AND COPYRIGHTS

The machinery and equipment of the VESSEL may bear the patent number, trademarks or trade names of the manufacturers. The SELLER shall defend and save harmless the BUYER from patent liability or claims of patent infringement of any nature or kind, including costs and expenses for, or on account of any patented or patentable invention made or used in the performance of this Contract and also including cost and expense of litigation, if any.

Nothing contained herein shall be construed as transferring any patent or trademark rights or copyright in equipment covered by this Contract, and all such rights are hereby expressly reserved to the true and lawful owners thereof. Notwithstanding any provisions contained herein to the contrary, the SELLER's obligation under this Article should not be terminated by the passage of any specified period of time.

The SELLER's indemnity hereunder does not extend to equipment or parts supplied by the BUYER to the SELLER if any.

ARTICLE XVII NOTICE

Any and all notices and communications in connection with this Contract shall be addressed as follows:

To the BUYER:
JINTONG MARINE INC.

Address: c/o 26/F., Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong
Tel No. : +852-25450951
E-mail: newbuilding@jinhuiship.com

To the SELLER:
JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

Address: Gujing 529145, Xinhui, Jiangmen City, Guangdong Province, the People's Republic of China
Tel No.: +86-750-2631711
E-mail: marketing@jns.net.cn

Any notices and communications sent by SELLER alone to the BUYER shall be deemed as having been sent by the SELLER.

Any change of address shall be communicated in writing by registered mail by the party making such change to the other party and in the event of failure to give such notice of change, communications addressed to the party at their last known address shall be deemed sufficient.

Any and all notices, requests, demands, instructions, advice and communications in connection with this Contract shall be deemed to be given at, and shall become effective from, the time when the same is delivered to the address of the party to be served, provided, however, that registered airmail shall be deemed to be delivered ten (10) days after the date of dispatch, express courier service shall be deemed to be delivered five (5) days after the date of dispatch, and E-mail acknowledged by the answerbacks shall be deemed to be delivered upon dispatch.

Any and all notices, communications, Specifications and drawings in connection with this Contract shall be written in the English language and each party hereto shall have no obligation to translate them into any other language.

ARTICLE XVIII EFFECTIVE DATE OF CONTRACT

This Contract shall become effective upon fulfillment of all the following conditions:

(1) Due execution of this Contract; and

(2) Receipt by the SELLER of a Performance Guarantee in the form annexed hereto as Exhibit B issued by BUYER in accordance with Article II Paragraph 6 hereof; and

(3) Receipt by the BUYER of a Refund Guarantee in the form annexed hereto as Exhibit A issued by SELLER'S BANK acceptable to the BUYER for 1st, 2nd and 3rd installment of the contract price in accordance with Article II Paragraph 7 hereof; and

(4) Receipt by the SELLER of the 1st installment in accordance with Paragraph 3(a) and 4(a) of Article II of this Contract.

JIANGMEN HAIYANG SHIP ENGINEERING CO. LTD

ARTICLE XIX INTERPRETATION

1. LAW APPLICABLE

The parties hereto agree that the validity and interpretation of this Contract and of each Article and part hereof be governed by and interpreted in accordance with the Laws of England.

2. DISCREPANCIES

All general language or requirements embodied in the Specifications are intended to amplify, explain and implement the requirements of this Contract. However, in the event that any language or requirements so embodied in the Specifications permit of an interpretation inconsistent with any provision of this Contract, then in each and every such event, the applicable provisions of this Contract shall govern. The Specifications and plans are also intended to explain each other, and anything shown on the plans and not stipulated in the Specifications or stipulated in the Specifications and not shown on the plans, shall be deemed and considered as if embodied in both. In the event of conflict between the Specifications and plans, the Specifications shall prevail and govern.

However, with regard to such inconsistency or contradiction between this Contract and the Specifications as may later occur by any change or changes in the Specifications agreed upon by and among the parties hereto after execution of this Contract, then such change or changes shall govern.

3. DEFINITION

In absence of stipulation of "Banking Day(s)" or "Business Day(s)", the "day" or "days" shall be taken as "calendar day" or "calendar days".

In WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed on the day and year first above written.

THE BUYER: JINTONG MARINE INC.

By: ....

Name: Ng Siu Fai

Title: Director

THE SELLER: JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

By: ....

Name: Huang Fei

Title: President& Executive Director

Exhibit "A" : IRREVOCABLE LETTER OF GUARANTEE

REFUND GUARANTEE NO **[X]**
Date: **[X]**
To: **[X]**
Add: **[X]**

Dear Sirs,

1. At the request of **[Builder]**, a corporation organized and existing under the laws of the **[Jurisdiction]**, having its registered office at [Address] (hereinafter called the "Builder"), and in consideration of you, [Buyer], as the buyer of the Vessel (hereinafter defined) and the beneficiary of this Letter of Guarantee agreeing to pay the pre-delivery installments of the contract price amounting to United States Dollars **[Contract Price]** only (USD **[X]**) (hereinafter called the "Contract Price") to the Builder in accordance with the shipbuilding contract No. **[X]** dated [Date] (hereinafter as the same way may have been or may be amended, modified and/or supplemented from time to time called the "Contract") concluded by and between you and the Builder, for the construction and delivery to you of one (1) **[X]** DWT **[Vessel Type]** to be designated as **[X]** (hereinafter called the "Vessel"), we, the undersigned, **[Bank Branch]**, having our registered office at **[Address]**, do hereby irrevocably, absolutely and unconditionally guarantee as primary obligor and not merely as surety to repay to you as the beneficiary on demand, the amount up to United States Dollars **[Contract Price]** only (USD **[X]**), representing:

   (1) the first instalment being United States Dollars **[X]** (say USD Dollars **[X]** only);

   (2) the second instalment being United States Dollars **[X]** (say USD Dollars **[X]** only);

   (3) the third instalment being United States Dollars **[X]** (say USD Dollars **[X]** only); and

   (4) the fourth instalment being United States Dollars **[X]** (say USD Dollars **[X]** only) of the Contract Price of the Vessel, together with interest as provided below.

2. Should the Builder fail to make such repayment in accordance with the terms of the Contract after you cancel, terminate or rescind the Contract and demand the refund of installments pursuant to Article **[X]** of the Contract, or in the event of total loss of the Vessel as described in Article **[X]** under the Contract, we shall pay you the amount payable by the Builder together with interest at the rate of **[X]** percent (**[X]**PCT) per annum from the date of receipt of the said respective instalment or instalments by the Builder into the account nominated by the Builder to the date of remittance by

telegraphic transfer of such repayment to you by us (save that no interest shall be payable if (1) you cancel, terminate or rescind the Contract for the total loss of the Vessel in accordance with Article **[X]** of the Contract, or (2) for any period of permissible delay). We shall pay the sum demanded by you within **[X]** (**[X]**) Banking Days (as defined herein) after receipt of a written demand from you or your bank together with your confirmation stating that you are entitled to claim repayment under the Contract and that the Builder has failed to make such repayment pursuant to the Contract. Such demand shall be made by means described in paragraph 13 (an "Authenticated Demand").

3. However, in the event we receive before your Authenticated Demand or within **[X]** (**[X]**) Banking Days after your Authenticated Demand has been received by us, a notice made by you or the Builder in writing, stating that there is a dispute between you and the Builder in relation to whether the Builder shall be liable to repay the first, second, third and/or fourth installment paid by you and such dispute is or will be submitted by the Builder or by you for arbitration in accordance with Article **[X]** of the Contract, we shall be entitled to withhold and defer payment until the earlier of (a) a final and unappealable arbitration award or a final and unappealable court judgment is published or (b) a binding settlement agreement has been executed between the parties in relation to such dispute. Without limiting the foregoing we shall not be obliged to make any payment to you unless such final and unappealable arbitration award or final and unappealable court judgment or binding settlement agreement requires the Builder to make repayment. If the Builder fails to honor the final and unappealable arbitration award or the final and unappealable judgment or the binding settlement agreement within **[X]** (**[X]**) Banking Days from the date when the final and unappealable award or the final and unappealable court judgement was rendered or the binding settlement agreement was executed or if longer, within such period as may be stipulated in the said award, judgement or binding settlement agreement, then we shall make payment to you to the extent the final and unappealable arbitration award or final and unappealable judgment or binding settlement agreement requires but not exceeding the aggregate amount of this Letter of Guarantee plus interest (if applicable) as described above within **[X]** (**[X]**) Banking Days upon our receipt of your further demand, in substitution for the demand previously submitted, accompanied by a true copy of such final and unappealable arbitration award or final and unappealable court judgement or binding settlement agreement certified as a true copy of the original by an English solicitor in London.

4. Such further demand shall be received by us through the means as aforesaid within **[X]** Banking Days after the publication of the final and unappealable arbitration award or the date of a final and unappealable court judgment or the date on which the parties execute a binding settlement agreement (as the case may be), specifying:

   (1) the final and unappealable arbitration award or the final and unappealable court

JIANGMEN NANYANG SHIP ENGINEERING CO.,LTD

judgment or the binding settlement agreement has been awarded or executed (as the case may be), and

(2) the amount the Builder is obliged to repay to you pursuant to such final and unappealable arbitration award or the final and unappealable court judgment or the binding settlement agreement, and

(3) that you have not received from the Builder the amount payable by the Builder to you in satisfaction of such final and unappealable award or the final and unappealable court judgment or the binding settlement agreement, and accordingly,

(4) the amount demanded by you under this Letter of Guarantee.

5. The said repayment shall be made by us in United States Dollars.

6. This Letter of Guarantee shall become effective from the time of the actual receipt of the first installment amounting to United States Dollars **[X]** (say USD Dollars **[X]** only) by the Builder from you in the Builder's Bank Account No. **[X]** held with [Bank Branch] and the total guaranteed amount under this Letter of Guarantee shall not exceed the amount of the guaranteed first, second, third and fourth instalments actually received by the Builder together with interest (if applicable) calculated as described above.

7. This Letter of Guarantee shall remain in force until the earliest of delivery of the Vessel to and acceptance by you, or full refund to you made by the Builder or ourselves, or the Contract is duly terminated by the Builder under Article **[X]** of the Contract, or [**[X]**hours Beijing time on **[X]** which should allow for all permissible and non-permissible delays under the main shipbuilding contract plus an additional 60 days in addition (the "Expiration Date").

   Notwithstanding the foregoing, in case either you or the Builder gives notice of an intention to commence arbitration proceedings with respect to the Contract for such matters as are described above then this Letter of Guarantee shall remain in full force and effect until the date falling [**[X]** (**[X]**)] Banking Days after the date of the publication of the final and unappealable arbitration award or the date of a final and unappealable court judgment or the date on which the parties execute a binding settlement agreement.

8. All payments by us under this Letter of Guarantee shall be made without any set-off or counterclaim and without deduction or withholding for or on account of any taxes, duties or charges whatsoever unless we are compelled by law to deduct or withhold the same. In the latter event we shall make the minimum deduction or withholding permitted and will pay such additional amounts as may be necessary in order that the

JIANGMEN NANYANG SHIP ENGINEERING CO.,LTD

net amount received by you after any such deduction or withholding shall equal the amount which would have been received had no such deduction or withholding been required to be made.

9. Neither our liability nor our obligations under this Letter of Guarantee shall be affected or discharged by any amendment, modification, supplement or variation of the Contract or any invalidity, irregularity or unenforceability or otherwise of the Contract or any time or indulgence granted to the Builder under the terms of the Contract and/or any insolvency, bankruptcy, liquidation, dissolution or reorganization (or analogous procedure) of the Builder. However, notwithstanding the foregoing our liability under this Letter of Guarantee shall in no event be greater than the aforesaid guaranteed amount plus interest (as the case may be).

10. This Letter of Guarantee may be assigned to the beneficiary's financiers but is otherwise assignable with our prior written consent which consent shall not be unreasonably withheld or delayed by us. No assignment shall be made to an entity that is sanctioned by the UN, US, EU, HMT or SWISS authorities. But in any case, the right of making demand under this guarantee shall remain only with yourselves. In the case of any assignment made in accordance with this provision, a notice of assignment shall be sent to us and we shall acknowledge any notice of assignment, within **[X]** (**[X]**) Banking Days from the date of receipt of such notice. Our obligation under this Letter of Guarantee shall not be increased or otherwise affected by any such assignment. Any request, consent, notice and acknowledgement thereof in connection with an assignment of rights under this Letter of Guarantee should be communicated in writing and shall be conveyed by Authenticated SWIFT.

11. We hereby confirm that we are permitted by the law of the People's Republic of China to issue guarantees with the wording of this Letter of Guarantee and especially to designate English law and London as place of arbitration/jurisdiction as provided in paragraph 12 below. We hereby confirm that this Guarantee shall be duly filed with the relevant SAFE authority if such is required by applicable laws and regulations and further confirm that we have obtained all necessary approvals and authorizations to issue this Letter of Guarantee and that we are authorized to effect payment hereunder in United States Dollars.

12. All the banking charges outside of the People's Republic of China are for your account and all the banking charges inside the People's Republic of China are for the account of the Builder.

13. This Letter of Guarantee shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Letter of Guarantee 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

JIANGSU HANYANG SHIP ENGINEERING CO.,LTD necessary to give effect to the provisions of this Clause. The seat of the arbitration shall be England, even where the hearing takes place outside England. 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, one to be appointed by each party and the third, subject to the provisions of the LMAA Terms, by the two so appointed. 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 in the notice, 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 the arbitrator 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. The language of arbitration shall be English. The law governing this arbitration provision shall be English law.

14. All demands and notices in connection with this Letter of Guarantee shall be sent to us by your bank on your behalf on or before the Expiration Date of this Letter of Guarantee by Authenticated SWIFT message at the following SWIFT code: **[X]**
Address **[X]**
SWIFT code: **[X]**

15. In this Letter of Guarantee, "Banking Day" means a day (other than Saturday or Sunday) on which banks are open for general business in Beijing.

YOURS FAITHFULLY,

[Name; position]
[Department]
FOR AND BEHALF OF **[Bank's name, branch, address]**

Exhibit "B" : PERFORMANCE GUARANTEE

For the 2nd, 3rd, and 4th instalments

From: JINHUI SHIPPING AND TRANSPORTATION LIMITED
Date:

To: JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.
ADD: GUJING 529145, XINHUI,JIANGMEN,GUANGDONG PROVINCE,CHINA

Dear Sirs,

(1) In consideration of you (the "SELLER") entering into a shipbuilding contract dated .... (the "Shipbuilding Contract") with JINTONG MARINE INC. as the buyer (the "BUYER") for the construction of one (1) 64,500 Metric Tons Deadweight bulk carrier known as JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.'s Hull No. JNS713 (the "VESSEL"), we, JINHUI SHIPPING AND TRANSPORTATION LIMITED, hereby IRREVOCABLY, ABSOLUTELY and UNCONDITIONALLY guarantee, as the primary obligor and not merely as the surety, the due and punctual payment by the BUYER of each and all of the 2^{nd} and 3^{rd} and 4^{th} instalments of the Contract Price amounting to a total sum of United States Dollars Twenty Nine Million Twenty Seven Thousand and Five Hundred only (USD 29,027,500) as specified in (2) below.

(2) The instalments guaranteed hereunder, pursuant to the terms of the Shipbuilding Contract, comprise the 2^{nd} instalment in the amount of United States Dollars Five Million One Hundred Twenty Two Thousand and Five Hundred only (USD 5,122,500) payable by the BUYER within Five (5) Banking Days after cutting of the first steel plate of the VESSEL, the 3^{rd} instalment in the amount of United States Dollars Three Million Four Hundred and Fifteen Thousand only (USD 3,415,000) payable by the BUYER within Five (5) Banking Days after keel laying of the first section of the VESSEL, the 4^{th} installment in the amount of United States Dollars Twenty Million and Four Hundred and Ninety Thousand only (USD 20,490,000) payable by the BUYER upon delivery of the VESSEL.

(3) We also IRREVOCABLY, ABSOLUTELY and UNCONDITIONALLY guarantee, as primary obligor and not merely as surety, the due and punctual payment by the BUYER of interest on each instalment guaranteed here under at the rate of six percent (6%) per annum from and including the first day after the date of instalment in default until the date of full payment by us of such amount guaranteed hereunder.

(4) In the event that you have notified us that the BUYER has failed to punctually pay any

instalment guaranteed hereunder or the BUYER has failed to pay any interest thereon, then, within Seven (7) Banking Days after receipt by us of your first written demand, we shall immediately pay to you or your assignee the unpaid 2nd and 3rd and 4th instalments, together with the interest as specified in Paragraph (3) hereof, without inquiring the justification or entitlement of your demand or requesting you to take any or further action, procedure or step against the BUYER or with respect to any other security which you may hold. For the avoidance of any doubt and even if it is called the "Guarantee" throughout and notwithstanding other stipulations herein, it is hereby confirmed that this Letter of Guarantee shall be regard as an "On Demand" Performance Bond.

(5) Any payment by us under this Letter of Guarantee shall be made in the United States Dollars by telegraphic transfer to receiving bank nominated by you for credit to the account of you or through other receiving bank to be nominated by you from time to time, in favour of you or your assignee.

(6) This Letter of Guarantee and our obligations under this Letter of Guarantee shall not be affected or prejudiced and we shall not withhold and/or delay our payment by the reason of any dispute between you as the SELLER and the BUYER under or in connection with the Shipbuilding Contract or by the BUILDER's delay in the construction and/or delivery of the VESSEL due to whatever causes or by any variation or extension of their terms thereof (whether or not made with our knowledge), or by any security or other indemnity now or hereafter held by you in respect thereof, or by any time or indulgence granted by you or any other person in connection therewith, or by any invalidity or unenforceability of the terms thereof, or by any act, omission, fact or circumstances whatsoever, which could or might, but for the foregoing, diminish in any way our obligations under this Letter of Guarantee.

(7) Any claim or demand shall be in writing signed by one of your officers and may be served on us either by hand or by post and if sent by post to 26/F., Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong. (or such other address as we may notify to you in writing), or by SWIFT.

(8) This Letter of Guarantee shall come into full force and effect upon delivery to you of this Letter Guarantee and shall continue in force and effect until the VESSEL is delivered to and accepted by the BUYER and the BUYER shall have performed all its obligations for taking delivery thereof or until the full payment of all the 2nd and 3rd and 4th instalments together with the aforesaid interests by the BUYER or us, whichever occurs later.

(9) The maximum amount, however, that we are obliged to pay to you under this Letter of Guarantee shall not exceed the aggregate amount of United State Dollars Twenty Nine Million Three Hundred Seventeen Thousand Seven Hundred and Seventy Five only (USD 29,317,775), being an amount equal to:

JIANGYIN NANYANG SHIP ENGINEERING CO., LTD

(i) all the 2nd and 3rd and 4th instalment guaranteed hereunder in the total amount of United States Dollars Twenty Nine Million Twenty Seven Thousand Five Hundred only (USD 29,027,500); and

(ii) the interest at the rate of Six percent (6%) per annum on the respective instalment each for a period of Sixty (60) days in the amount of United State Dollars Two Hunred Ninety Thousand Two Hundred Seventy Five only (USD 290,275).

(10) All payments by us under this Letter of Guarantee shall be made without any setoff or counterclaim and without deduction or withholding for or on account of any taxes, duties, or charges whatsoever unless we are compelled by law to deduct or withhold the same. In the latter event we shall make the minimum deduction or withholding permitted and will pay such additional amounts as may be necessary in order that the net amount received by you after such deductions or withholdings shall equal the amount which would have been received had no such deduction or withholding been required to be made.

(11) This Letter of Guarantee shall be construed in accordance with and governed by the laws of England. We hereby submit to arbitration by Three (3) arbitrators in London in accordance with the then prevailing rules of London Maritime Arbitrators Association ("LMAA") for the purposes of any legal action or proceedings in connection with this Letter of Guarantee.

(12) This Letter of Guarantee shall have expired as aforesaid, you will return the same to us without any request or demand from us.

(13) We further waive and disclaim all rights whatsoever to claim sovereign immunity for ourselves or our assets in respect of any claim or proceedings brought against us under or in respect of this Letter of Guarantee.

(14) We hereby represent and confirm to you that we are permitted by the law of Hong Kong, and have the corporate power and authority, to issue this Letter of Guarantee with its precise wording and to perform our obligations hereunder and in particular to designate the laws of England as the governing law hereof. With regard to the rules, regulations and requirements of the laws and regulations of Hong Kong, we hereby confirm that this guarantee is valid and enforceable and confirm further that we have obtained all necessary approvals and authorizations to issue and perform this Letter of Guarantee in United States Dollars.

(15) The "Business Day(s)", "Banking Day(s)" and "Day(s)" defined in the Shipbuilding Contact shall have the same meaning when used in this Letter of Guarantee.

IN WITNESS WHEREOF, we have caused this Letter of Guarantee to be signed and delivered by our duly authorized representative the day and year above written.

JIANGMEN NANYANG SHIP ENGINEERING CO.,LTD

For and on behalf of JINHUI SHIPPING AND TRANSPORTATION LIMITED

By: ....
Name: NG KAM WAH
Title: Managing Director

Exhibit "C" : SPECIFICATIONS

For

one (1) 64,500 Deadweight Bulk Carrier Vessel (Hull No.: JNS713)

It is confirmed by the BUYER and the SELLER that the VESSEL having the Hull No. JNS713 shall be constructed, equipped and completed in accordance with this Specifications, which shall consist of following files attached herein:

1) Specification (SC41024(JNS)-010-02SM)
2) General Arrangement (SC41024(JNS)-010-03)
3) Midship Section (SC41024(JNS)-00-03)
4) Capacity Plan (SC41024(JNS)-00-10)
5) Maker list (JNS645-00-04) dated 30th September 2025
6) Technical memo dated [3rd June 2026]

THE BUYER: JINTONG MARINE INC.

By: ....

Name: Ng Siu Fai

Title: Director

THE SELLER: JIANGMEN NANYANG SHIP ENGINEERING CO., LTD.

By: ....

Name: Huang Fei

Title: President& Executive Director

SHIPBUILDING CONTRACT NO. SUMEC26563

FOR

CONSTRUCTION OF ONE 64,100 DWT BULK CARRIER

(HULL NO. NDY1379)

BETWEEN

JINGANG MARINE INC.

as the BUYER

and

SUMEC Marine Co., Ltd.
New Dayang Shipbuilding Co., Ltd.

Collectively as the SELLER

DATE: June 8th, 2026

CONTENT

SHIPBUILDING CONTRACT NO.SUMEC26563

FOR

CONSTRUCTION OF ONE 64,100DWT BULK CARRIER

(HULL NO. NDY1379)

PREAMBLE

This Contract, entered into this day of June 8th, 2026 by and between JINGANG MARINE INC., a corporation organized and existing under the Laws of Panama, having its registered office at Banco General Tower, 19/F, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama (hereinafter called the "BUYER") on one part; and SUMEC Marine Co., Ltd. (hereinafter called the "SUMEC") a corporation organised and existing under the Laws of the People's Republic of China, having its registered office at 198# Changjiang Road, Nanjing City, Jiangsu Province, the People's Republic of China together with New Dayang Shipbuilding Co., Ltd, (hereinafter called "Dayang") a corporation organised and existing under the Laws of the People's Republic of China, having its registered office at 8# Yongda Road, Lidian Town, Guangling District, Yangzhou City, Jiangsu Province, the People's Republic of China (SUMEC and Dayang hereinafter collectively called the "SELLER") on the other part.

WITNESSETH

In consideration of the mutual covenants contained herein, the SELLER agrees to build, launch and equip, at the Dayang, as well as complete, sell and deliver at the Dayang's berth to the BUYER after completion and successful trial one (1) 64,100 DWT Bulk Carrier as more fully described in Article I hereof, to be registered under the flag of Hong Kong, and the BUYER agrees to purchase and take delivery of the aforesaid vessel from the SELLER and to pay for the same in accordance with the terms and conditions hereinafter set forth.

The Parties further acknowledge and agree that:

(i) The SUMEC and Dayang shall be jointly and severally liable for SELLER's duties, responsibilities and liabilities stipulated in this Contract.

(ii) Upon effectiveness of this Contract and during the whole construction period prior to the delivery as stipulated in Article VII, the VESSEL as it is constructed and every part thereof and all equipment, components, blocks and materials intended for the VESSEL (excluding BUYER's Supplies) as soon as they are appropriated to the VESSEL, whether in the Dayang, on the way to Dayang, workshop or elsewhere, shall become the absolute property of the SUMEC forthwith and continuously.

(iii) Any formal notice served by the BUYER to the SELLER pursuant to this Contract shall be addressed to both SUMEC and Dayang as per Article XVII.

DEFINITION

Unless the context of this Contract stipulates otherwise, the following words in this Contract shall have the meaning set out hereinbelow:

"banking days"	days (other than Saturday and Sunday) on which commercial banks are open for business in China (Mainland and Hong Kong), and New York;
"business day"	a day when work is normally performed in China (Mainland and Hong Kong);
"BUYER"	the company referred to as "BUYER" in the Preamble inclusive of its assignees and transferees;
"BUYER's Supplies"	any item, equipment, stores or service, which shall be supplied and/or paid for by the BUYER in accordance with the express terms of this Contract;
"Classification Society" or "Class"	the classification society referred to in Article I Paragraph 2;
"Construction"	the designing, building, testing, commissioning, launching and equipping of the VESSEL, unless the context otherwise requires;
"Contract"	this shipbuilding contract with its exhibits and appendices, any amendments thereto and including the Specifications and Drawings;
"Contract Delivery Date"	the date set out in Article VII Paragraph 1;

"Contract Price"	the Original Contract Price, as adjusted in accordance with the terms of this Contract;
"Date of Contract"	the date specified in the Preamble;
"day" or "days"	mean "calendar day" or "calendar days";
"deadweight"	has the meaning set out in the Specifications;
"delivery"	the actual delivery of the VESSEL from the SELLER to the BUYER;
"drawings"	the plans and drawings listed in the Specifications and any amendment thereto;
"effective date"	the date determined in accordance with the provisions set out in Article XVIII;
"flag state"	the state referred to in WITNESSETH, to which the VESSEL to be registered;
"force majeure"	any of the events set out in and subject to Article VIII;
"force majeure delay"	a delay caused by Force Majeure, which according to Article VIII constitutes Permissible Delay;
"guarantee period"	a period of 12 months from the delivery of the VESSEL as set out in Article IX;
"Makers List"	an agreed list of suppliers approved for delivery of equipment, machinery or services which shall be included in the Specifications;
"Original Contract Price"	the price stipulated in Article II;

"permissible delay"	all delays, as described in Article VIII to the extent they cause unavoidable and unforeseeable delay in delivery of the VESSEL and, according to the terms of the Contract, will permit an adjustment of the Contract Delivery Date without paying liquidated damages;
"regulatory bodies"	the relevant authorities imposing rules and regulations with which the construction and delivery of the VESSEL must comply, which shall include the authorities of the flag state together with other authorities set out in the Specifications, as the case may be;
"SELLER"	the companies referred to as "SELLER" in the Preamble;
"Specifications"	the specifications referred to in Article I Paragraph 1 and any amendment thereto;
"subcontractor"	any person (not being a servant or employee of the SELLER) or company, with whom or with which the SELLER has entered into a contract for the design, construction, manufacture or supply of any item, equipment, work or service for the VESSEL;
"VESSEL"	the vessel described in Article I.

ARTICLE I DESCRIPTION AND CLASS

1. DESCRIPTION

The VESSEL is a 64,100 metric tons deadweight Bulk Carrier at draft of 13.50 meters (hereinafter called the "VESSEL") of the class described below. The VESSEL shall have the SELLER's Hull No. NDY1379 and shall be constructed, equipped and completed in accordance with:

(1) Specification (Drawing No.NDY-B63B0-010-01 Nov.2025), and
(2) General Arrangement Plan (Drawing No.NDY-B63C0-010-02), and
(3) Midship Section Plan (Drawing No.NDY-B63B0-011-01), and
(4) Makers List (Drawing No.NDY-B63B0-010-03), and
(5) NEW DAYANG SPEC COMMENT dated on June 5th, 2026

attached hereto and signed by each of the parties to this Contract (hereinafter called the "Specifications"), making an integral part hereof.

2. CLASS AND RULES

The VESSEL, including its machinery and equipment, shall be constructed in accordance with the rules and regulations of American Bureau of Shipping (ABS) (hereinafter called the "Classification Society") and shall be distinguished in the record by the symbol of

ABS +A1, (E), Bulk Carrier, CSR, AB-CM, BC-A(holds 2, 4 may be empty), GRAB[20], CPS, ESP, UWILD, +AMS, +ACCU, BWT, NOx-Tier III, TCM, IHM, RW, CR

or, at the SELLER'S option, with the equivalent class notation, and shall also comply with the rules and regulations as fully described in the Specifications.

The requirements of other regulatory bodies and the authorities as fully described in the Specifications including that of the Classification Society are to include additional rules or circulars thereof issued, effective and compulsorily applicable to the VESSEL up to or on the date of signing this Contract.

The SELLER shall arrange with the Classification Society to assign a representative or representatives (hereinafter called the "Classification Surveyor") to the Dayang for supervision of the construction of the VESSEL.

All fees and charges incidental to classification and compliance with the rules, regulations and requirements of this Contract as described in the Specifications issued, effective and compulsorily applicable to the VESSEL up to the date of signing this Contract as well as royalties, if any, payable on account of the construction of the VESSEL shall be for the account of the SELLER, except as otherwise provided and agreed herein. The key plans, materials and workmanship entering into the construction of the VESSEL shall at all times be subject to inspections and tests in accordance with the rules and regulations of the Classification Society.

Decisions of the Classification Society as to compliance or non-compliance with Classification rules and regulations shall be final and binding upon the parties hereto.

3. PRINCIPAL PARTICULARS AND DIMENSIONS OF THE VESSEL

(a) Hull

Length overall	max	199.99m
Length between perpendiculars	abt	196.50m
Breadth moulded	max	32.26m
Depth moulded	abt	18.80m
Design Draft moulded	abt	12.00m
Scantling Draft moulded	max	13.50m

(b) Propelling Machinery

The VESSEL shall be propelled by a marine diesel engine of two-stroke, in accordance with the Specifications, equipped with MAN 6S50ME-C9.7-HPSCR with EGB+EEC type Main Engine, with Maximum Continuous Rating (MCR) of 6900kW.

4. GUARANTEED SPEED

The SELLER guarantees that the service speed of the VESSEL, after correction, is to be not less than 13.5 nautical miles per hour on the conditions stipulated in the Specifications (hereinafter called the "Guaranteed Speed").

The service speed shall be corrected for wind speed and shallow water effect. The correction method of the speed shall be as specified in the Specifications. The attained EEDI of the VESSEL meets the requirement of Phase 3.

5. GUARANTEED FUEL CONSUMPTION

The SELLER guarantees that the fuel oil consumption of the Main Engine is not to exceed 171.4grams/kW/hr at normal continuous output at shop trial based on diesel fuel oil having a lower calorific value of 10,200 kilocalories per kilogram and ISO 3046/1 reference condition (hereinafter called the "Guaranteed Fuel Consumption").

6. GUARANTEED DEADWEIGHT

The SELLER guarantees that the VESSEL is to have a deadweight of not less than 64,100 metric tons at the scantling loaded draft moulded of 13.5 meters in sea water of 1.025 specific gravity (hereinafter called the "Guaranteed Deadweight").

The actual deadweight of the VESSEL expressed in metric tons shall be based on deadweight measurement report made by the SELLER and checked by the BUYER, and all measurements necessary for such calculations shall be performed in the presence of the BUYER's supervisor(s) or the party authorized by the BUYER.

Should there be any dispute between the SELLER and the BUYER in such calculations and/or measurements, the decision of the Classification Society shall be final.

7. SUBCONTRACTING

The SELLER may, at its sole discretion and responsibility, subcontract any portion of the construction work of the VESSEL to experienced subcontractors, but delivery and final assembly into the VESSEL of any such work subcontracted shall be at the Dayang. The SELLER shall remain responsible for such subcontracted work.

8. REGISTRATION

The VESSEL shall be registered by the BUYER at its own cost and expense under the laws of Hong Kong at the time of delivery and acceptance thereof.

ARTICLE II CONTRACT PRICE & TERMS OF PAYMENT

1. CONTRACT PRICE

The Contract Price of the VESSEL is United States Dollars Thirty-Four Million only (USD34,000,000.00) (hereinafter referred to as the "Original Contract Price"), which included the extra cost USD110,000.00 of NEW DAYANG SPEC COMMENT listed in Article I and is exclusive of the cost for the BUYER's Supplies as provided in Article V hereof, and shall be subject to upward or downward adjustment, if any, as hereinafter set forth in this Contract. Bank's charges for transfer of funds to the SELLER in respect of payments under this Article II shall be for the account of the BUYER.

2. CURRENCY

Any and all payments by the BUYER to the SELLER under this Contract shall be made in United States Dollars.

3. TERMS OF PAYMENT

The Contract Price shall be paid by the BUYER to the SELLER in five instalments as follows:

(a) 1st Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable on this Contract becoming effective. Payment shall be made by the BUYER within five (5) banking days after:

- transmission by SWIFT to the BUYER's bank of the Refund Guarantee for the 1st, 2nd, 3rd and 4th instalments in the form annexed hereto as Exhibit "A" issued by the SELLER's bank and the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 1st instalment.

(b) 2nd Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable after the commencement of steel cutting of the VESSEL. Payment shall be made by the BUYER within five (5) banking days after:

- the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 2nd instalment and of the certificate of the Classification Society attesting the commencement of steel cutting of the VESSEL;

(c) 3rd Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable after the keel laying of the VESSEL in the Dayang. Payment shall be made by the BUYER within five (5) banking days after:

- the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 3rd instalment and of the certificate of the Classification Society attesting the keel laying of the VESSEL;

(d) 4th Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable after the launching of the VESSEL. Payment shall be made by the BUYER within five (5) banking days after:

- the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 4th instalment and of the certificate of the Classification Society attesting the launching of the VESSEL;

(e) 5th Instalment (Payment upon delivery of the VESSEL):

The sum of United States Dollars Twenty Million Four Hundred Thousand only (USD20,400,000.00), representing sixty percent (60%) of the Contract Price, plus any increase or minus any decrease due to modifications and/or, adjustments of the Contract Price in accordance with the provisions of the relevant articles hereof, shall become due and payable and be paid by the BUYER to the SELLER concurrently with the execution of the Protocol of Delivery and Acceptance of the VESSEL as provided in Article VII(3) below. The SELLER shall send to the BUYER an email demand for this instalment seven (7) days prior to the scheduled date of delivery of the VESSEL.

4. METHOD OF PAYMENT

(a) 1st Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(a) by telegraphic transfer to the SELLER's bank (to be nominated by the SELLER and acceptable by the BUYER within ten days after the execution of this

Contract), for credit to the account of the SELLER with instructions of "Payment of 1st instalment of Hull No.NDY1379 to SUMEC Marine Co., Ltd.".

(b) 2nd Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(b) by telegraphic transfer to the SELLER's bank, for credit to the account of the SELLER as stipulated in the above Paragraph 4(a) with instructions of "Payment of 2nd instalment of Hull No.NDY1379 to SUMEC Marine Co., Ltd. ".

(c) 3rd Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(c) by telegraphic transfer to the SELLER's bank, for credit to the account of the SELLER as stipulated in the above Paragraph 4(a) with instructions of "Payment for 3rd instalment of Hull No.NDY1379 to SUMEC Marine Co., Ltd. ".

(d) 4th Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(d) by telegraphic transfer to the SELLER's bank, for credit to the account of the SELLER as stipulated in the above Paragraph 4(a) with instructions of "Payment of 4th instalment of Hull No.NDY1379 to SUMEC Marine Co., Ltd. ".

(e) 5th Instalment (Payable upon Delivery of the VESSEL):

The BUYER shall, at least three (3) banking days prior to the scheduled date of delivery of the VESSEL, as notified by the SELLER, make an irrevocable cash deposit in the name of BUYER with the SELLER's bank, for a period of thirty (30) days and covering the amount of this instalment (as adjusted in accordance with the provisions of this Contract), with an irrevocable instruction that the said amount shall be released to the SELLER against presentation by the SELLER to the said SELLER's bank, of one original of the Protocol of Delivery and Acceptance signed by the BUYER's authorized representative and the SELLER's authorized representative. Interest, if any, accrued from such deposit, shall be for the benefit of the BUYER.

The title to and risk on the VESSEL shall not be transferred to the BUYER until this instalment has been received by the SELLER at its account with the SELLER's bank.

If the delivery of the VESSEL is not effected on or before the expiry of the aforesaid 30 days deposit period, the BUYER shall have the right to withdraw the said deposit plus accrued interest upon the expiry date. However, when the new scheduled delivery date has been agreed and notified to the BUYER by the SELLER, the BUYER shall make a cash deposit again in accordance with the same terms and conditions as set out above.

5. PREPAYMENT

The BUYER shall have the right to make prepayment of any and all instalments before delivery of the VESSEL, by giving to the SELLER at least thirty (30) days prior written notice, without any price adjustment of the VESSEL for such prepayment.

6. SECURITY FOR PAYMENT OF INSTALMENTS BEFORE DELIVERY

The BUYER shall, upon signing of this Contract deliver to the SELLER an irrevocable and unconditional Performance Guarantee in the form annexed hereto as Exhibit "B" in favour of the SELLER issued by Jinhui Shipping and Transportation Limited (hereinafter called the "Guarantor"). This Performance Guarantee shall guarantee the BUYER's obligation for payment of the Contract Price and due performance of all the BUYER's obligations under this Contract.

7. REFUNDS

All instalments made by the BUYER to the SELLER prior to the Delivery of the VESSEL, in the event this Contract is rescinded or cancelled by the BUYER in accordance with the specific terms of this Contract permitting such rescission or cancellation, shall be refunded by the SELLER to the BUYER in United States Dollars in the full amount of all sums the SELLER has received under this Contract, together with interest (at the rate set out in respective provision hereof) from the respective payment date(s) to the date of remittance by telegraphic transfer of such refund to the account specified by the BUYER.

As security to the BUYER, the SELLER shall deliver to the BUYER, prior to the payment by the BUYER of the 1st instalment, a Refund Guarantee to be issued by the SELLER's bank acceptable by the BUYER for the 1st, 2nd, 3rd, and 4th instalments (hereinafter called "SELLER's bank") acceptable to the BUYER and the BUYER's bank and substantially in the form as per Exhibit "A" annexed hereto.

However, in the event of any dispute between the SELLER and the BUYER with regard to the SELLER's obligation to repay the instalment or instalments paid by the BUYER and to the BUYER's right to demand payment from the SELLER's bank under its Refund Guarantee, and such dispute is submitted by the SELLER or by the BUYER for arbitration in accordance with Article XIII hereof, the SELLER and SELLER's bank shall withhold and defer payment until the arbitration award between the SELLER and the BUYER is published. The SELLER's bank shall not be obligated to make any payment unless the arbitration award orders the SELLER to make repayment. If the SELLER fails to honour the award, then the SELLER or SELLER's bank shall refund to the extent the arbitration award orders.

The SELLER undertakes that, in the event that any refund guarantee(s) issued pursuant to the terms of this Contract involves foreign exchange obligations, such refund guarantee(s) shall be duly registered with the State Administration of Foreign Exchange ("SAFE") and shall otherwise comply with all applicable laws and regulations of the People's Republic of China ("PRC"). The SELLER further undertakes to ensure and shall procure that the refund guarantor bank duly completes and obtains as appropriate all necessary documentation, approvals, and filings promptly and in any event within 60 days after the date of issuance of the relevant refund guarantee(s), and produces written evidence of such completion within the same 60-day period, and the SELLER further undertakes to bear any and all costs, expenses, damages or liabilities incurred or suffered by the BUYER arising out of or in connection with any failure of the SELLER to comply with SAFE requirements and any other applicable laws and regulations of the PRC.

ARTICLE III ADJUSTMENT OF THE CONTRACT PRICE

The Original Contract Price of the VESSEL shall be subject to adjustments as hereinafter set forth. It is hereby understood by both parties that the reduction of the Contract Price as stipulated hereunder is by way of liquidated damages and not by way of penalty.

1. DELIVERY

(a) No adjustment shall be made, and the Contract Price shall remain unchanged for the first thirty (30) days of delay in delivery of the VESSEL beyond the Contract Delivery Date as defined in Article VII hereof ending as of twelve o'clock midnight of the thirtieth (30th) day of delay.

(b) If the delivery of the VESSEL is delayed more than thirty (30) days after the Contract Delivery Date as defined in Article VII hereof, then, in such event, beginning at twelve o'clock midnight of the aforesaid thirtieth day, the Contract Price of the VESSEL shall be reduced by deducting therefrom the sum of United States Dollars Six Thousand only (USD6,000) per day.

Unless the parties hereto agree otherwise, the total reduction in the Contract Price shall be deducted from the fifth instalment of the Contract Price and in any event (including the event that the BUYER consents to take the VESSEL at the later delivery date after the expiration of two hundred and forty (240) days delay in delivery as described in Paragraph 1(c) of this Article) shall not be more than the maximum amount of United States Dollars One Million Two Hundred Sixty Thousand only (USD1,260,000.00) corresponding two hundred and ten (210) days at the above specified rate of reduction after the aforesaid thirty (30) days allowance.

(c) If the delay in the delivery of the VESSEL continues for a period of two hundred and forty (240) days (being the total of non-permissible delays and permissible delays) after the Contract Delivery Date as defined in Article VII, then in such event, the BUYER may, at its option, rescind or cancel this Contract in accordance with the provisions of Article X of this Contract by written notice to the SELLER at any time after the expiration of the said two hundred and forty (240) days period or the SELLER may at any time after the expiration of the aforementioned two hundred and forty (240) days, notify the BUYER of the date upon which the SELLER estimates the VESSEL will be ready for delivery and demand in writing that the BUYER make an election, in which case the BUYER shall, within fifteen (15) days after such demand is received by the BUYER, either notify the SELLER of its decision to cancel this Contract, or consent to take delivery of the VESSEL at an agreed future date ("Future Delivery Date"). Failure of the BUYER to give its confirmation on acceptance or objection to the Future Delivery Date within the said fifteen (15) days period shall be deemed as giving its acceptance of the Future Delivery Date. It is understood and agreed by the parties hereto that, if the VESSEL is not delivered by such Future Delivery Date, the BUYER shall have the same right of cancellation upon the same terms, as herein above provided.

(d) For the purpose of this Article, the delivery of the VESSEL shall not be deemed delayed and the Original Contract Price shall not be reduced when and if the Contract Delivery Date of the VESSEL is extended by reason of causes and provisions of Articles V, XI and XII hereof. The Contract Price shall not be adjusted or reduced if the delivery of the VESSEL is delayed by reason of permissible delays as defined in Article VIII hereof.

2. INSUFFICIENT SPEED

(a) The Contract Price of the VESSEL shall not be affected nor changed by reason of the actual speed (as determined by the Trial Run after correction according to the Specifications) being less than three tenths (3/10) of one knot below the Guaranteed Speed as specified in Paragraph 4 of Article I of this Contract.

(b) However, commencing with and including a deficiency of three tenths (3/10) of one knot in actual speed (as determined by the Trial Run after correction according to the Specifications) below the Guaranteed Speed as specified in Paragraph 4, Article I of this Contract, the Contract Price shall be reduced as follows:

In case of deficiency

at or above 0.30 but below 0.40 knot	USD70,000.00; or
at or above 0.40 but below 0.50 knot	USD140,000.00; or
at or above 0.50 but below 0.60 knot	USD210,000.00; or
at or above 0.60 but below 0.70 knot	USD280,000.00; or
at or above 0.70 but below 0.80 knot	USD350,000.00; or
at or above 0.80 but below 0.90 knot	USD420,000.00; or
at or above 0.90 but below 1.00 knot	USD490,000.00.

(c) If the deficiency in actual speed (as determined by the Trial Run after correction according to the Specifications) of the VESSEL upon the Trial Run, is more than 1.00 knot below the Guaranteed Speed, and should the SELLER fail to remedy this deficiency prior to delivery, then the BUYER may at its option reject the VESSEL and rescind this Contract in accordance with provisions of Article X of this Contract, or may accept the VESSEL at a reduction in the Contract Price in the maximum amount of United States Dollars Four Hundred Ninety Thousand only (USD490,000).

3. FUEL CONSUMPTION

(a) The Contract Price of the VESSEL shall not be affected nor changed if the actual fuel consumption of the Main Engine, as determined by shop trial in manufacturer's works, as per the Specifications, is greater than the Guaranteed Fuel Consumption as specified in Paragraph 5 of Article I of this Contract and if such actual excess is equal to or less than Five percent (5%).

(b) However, if the actual fuel consumption as determined by shop trial is greater than Five percent (5%) above the Guaranteed Fuel Consumption then, the Contract Price shall be reduced by the sum of United States Dollars Seventy Thousand only (USD70,000) for each full one percent (1%) increase in fuel consumption in excess of the above said Five percent (5%) (fractions of one percent to be prorated).

(c) If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the Guaranteed Fuel Consumption, i.e. the fuel consumption exceeds 188.5 grams/kW/hr, the BUYER may, subject to the SELLER'S right to effect alterations of corrections as specified in the following sub-paragraph of Article III 3 (d) hereof at its option, rescind or cancel this Contract, in accordance with the provisions of Article X of this Contract or may accept the VESSEL at a reduction in the Contract Price by United States Dollars Three Hundred and Fifty Thousand (USD 350,000) being the maximum.

(d) If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the Guaranteed Fuel Consumption, i.e. the fuel consumption exceeds 188.5 gram/kW/Hour, the SELLER may investigate the cause of the non-conformity and the proper steps may promptly be taken to remedy the same and to make whatever corrections and alterations and / or re-shop trial test or tests as may be necessary to correct such non-conformity without extra cost to the BUYER. Upon completion of such alterations or corrections of such non-conformity, the SELLER shall promptly perform such further shop trials or any other tests, as may be deemed necessary to prove the fuel consumption of the Main Engine's conformity with the requirement of this Contract and the Specifications and if found to be satisfactory, give the BUYER notice by email of such correction and as appropriate, successful completion accompanied by copies of such results, and the BUYER shall, within six (6) business days after receipt of such notice, notify the SELLER by email of its acceptance or reject the re-shop trial together with the reasons therefor. If the BUYER fails to notify the SELLER by email of its acceptance or rejection of the re-shop trial together with the reasons therefor within six (6) business days period as provided herein, the BUYER shall be deemed to have accepted the shop trial.

4. DEADWEIGHT

(a) In the event that there is a deficiency in the actual deadweight of the VESSEL determined as provided in the Specifications, the Contract Price shall not be decreased, if such deficiency is Six Hundred (600) metric tons or less below the Guaranteed Deadweight as specified in Paragraph 6 of Article I of this Contract.

(b) However, the Contract Price shall be reduced by the sum of United States Dollars United States Dollars Six Hundred (USD600.00) for each full metric ton of such deficiency in excess of the aforesaid Six hundred (600) metric tons.

(c) In the event that there is a deficiency in the actual deadweight of the VESSEL which exceeds One Thousand Two Hundred (1,200) metric tons below the Guaranteed Deadweight, and should the SELLER fail to remedy this deficiency prior to delivery, the BUYER may, at its option, reject the VESSEL and rescind this Contract in accordance with the provisions of Article X of this Contract, or may accept the VESSEL with reduction in the Contract Price in the maximum amount of United States Dollars Three Hundred and Sixty Thousand (USD360,000).

5. EFFECT OF RESCISSION

It is expressly understood and agreed by the parties hereto that in any case as stated herein, if the BUYER rescinds this Contract pursuant to any provision under this Article, the BUYER, save its rights and remedy set out in Article X hereof, shall not be entitled to any liquidated damage or any other compensation whether described above or otherwise.

ARTICLE IV SUPERVISION AND INSPECTION

1. APPOINTMENT OF THE BUYER'S SUPERVISOR

The BUYER shall send in good time to and maintain at the Dayang, at the BUYER's own cost and expense, one or more representative(s) who shall be duly accredited in writing by the BUYER (such representative(s) being hereinafter collectively and individually called the "Supervisor") to supervise and survey the construction of the VESSEL, her engines and accessories, attendance at the tests and inspections relating to the VESSEL its machinery, equipment and outfitting, and any other matter in respect of which he is specifically authorized to act on BUYER's behalf.

2. APPROVAL OF PLANS AND DRAWINGS

The parties hereto shall, within thirty (30) days after signing of this Contract, mutually agree a list of the plans and drawings to be approved by the BUYER, which are to be sent to the BUYER for approval (hereinbelow referred to as the "Drawings List"). Before arrival of the Supervisor at the Dayang, the plans and drawings specified in the Drawings List shall be sent to the BUYER, and the BUYER shall, within fourteen (14) days after receipt thereof, return such plans and drawings submitted by the SELLER with approval or remarks, if any.

Before the arrival of the Supervisor at the Dayang, the BUYER shall notify the SELLER in writing, stating the authority which the said Supervisor shall have, with regard to what the Supervisor can, on behalf of the BUYER, approve or disapprove, as the case may be, in respect of those plans and drawings specified in the Drawings List which have not yet been sent to the BUYER, nevertheless in line with the Supervisor's authority. The Supervisor shall, within seven (7) days after receipt thereof, return those plans and drawings with approval or remarks, if any.

Unless notification is given to the SELLER by the Supervisor or the BUYER of approval or disapproval of any plans and drawings within the above designated period of time for each case, the said plans and drawings shall be deemed to have been automatically approved by the BUYER.

The plans and drawings approved by the BUYER or Supervisor shall be final, and any alteration thereof shall be regarded as modification as referred to in Article V of this Contract.

3. SUPERVISION AND INSPECTION BY THE SUPERVISOR

The necessary inspection of the VESSEL, her machinery, equipment and outfittings shall be carried out by the Classification Society, and/or inspection team of the SELLER throughout the entire period of construction in order to ensure that the construction of the VESSEL is duly performed in accordance with this Contract and the Specifications.

The Supervisor shall have, at all times until delivery of the VESSEL, the right to attend tests according to the mutually agreed tests list before commencement of tests (herein referred to as the "Tests List") and inspect the VESSEL, her engines, accessories and materials at the Dayang, its subcontractors or any other place where work is done or materials stored in connection with the VESSEL. And in any event a notice at least seven (7) days in advance must be given for the tests of main engine and the auxiliary engines.

In the event that the Supervisor discovers any construction or material or workmanship which does not or will not conform to the requirements of this Contract and the Specifications, the Supervisor shall promptly give the SELLER a notice in writing as to such nonconformity, upon receipt of which the SELLER shall correct such nonconformity if the SELLER agrees with the BUYER. In any event, the SELLER shall be entitled to proceed with the construction of the VESSEL, though a disagreement may exist between both parties, without prejudice to the BUYER's right to submit the dispute to the Classification Society for determination or, if necessary for arbitration pursuant to Article XIII hereof.

The BUYER undertakes and assures the SELLER that the Supervisor shall carry out his inspections in accordance with the agreed inspection procedure and schedule and usual shipbuilding practice and in such a way as to minimize any increase in building costs and delays in the construction of the VESSEL.

Once an inspection and/or test has been witnessed and approved by the BUYER or the Supervisor, the same inspection and/or test should not have to be repeated, provided it has been carried out in compliance with the requirements of the Classification Society and Specifications.

The SELLER agrees to furnish free of charge the Supervisor with office space, and other reasonable facilities according to SELLER's practice including bookshelves, chairs, desks and filing cabinets, and access to telephone and photocopying machines, at or in the immediate vicinity of the Dayang. Telephone charges shall be for the BUYER's account.

At all times, during the construction of the VESSEL until delivery thereof, the Supervisor shall be given access to the VESSEL, her engines and accessories, and to any other place where the work is being done, or the materials are being processed or stored, in connection with the construction of the VESSEL, including the yards, workshops, stores of the SELLER, and the premises of subcontractors of the SELLER, who are doing work, or storing materials in connection with the VESSEL's construction.

The BUYER undertakes to maintain sufficient number of the Supervisors at the Dayang throughout the period of construction of the VESSEL so as to meet the Dayang's requirements for inspection, survey and attending tests and/or trials.

Should the Supervisor fail to conduct any inspection or attend any test (after notice by the Dayang of the same) due to whatever reason, the SELLER shall be entitled to carry out the construction and/or test without inspection and/or attendance of the Supervisor and such work so carried out shall be treated as approved by the BUYER.

The decision, approval or advice of the Supervisor shall be deemed to have been given by the BUYER and once given shall not be withdrawn, revoked or modified except with consent of the SELLER. However, if the Supervisor fails to submit to the SELLER without delay any such demand concerning alterations with respect to the building, arrangement or outfit of the VESSEL, her engines or accessories, or any other items or matters in connection herewith, which the Supervisor has examined or inspected or attended at the tests thereof under this Contract or the Specifications, the Supervisor shall be deemed to have approved the same and shall be precluded from making any demand for alterations or other complaints with respect thereto at a later date.

4. LIABILITY OF THE SELLER

The Supervisor engaged by the BUYER under this Contract shall at all times be deemed to be in the employ of the BUYER. The SELLER shall be under no liability whatsoever to the BUYER, or to the Supervisor or the BUYER's employees or agents for personal injuries, including death, during the time when they, or any of them, are on the VESSEL, or within the premises of either the SELLER or its subcontractors, or are otherwise engaged in and about the construction of the VESSEL, unless, however, such personal injuries, including death, were caused by gross negligence of the SELLER, or of any of the SELLER's employees or agents or subcontractors of the SELLER. Nor shall the SELLER be under any liability whatsoever to the BUYER for damage to, or loss or destruction of property in China of the BUYER or of the Supervisor, or of the BUYER's employees or agents, unless such damage, loss or destruction was caused by gross negligence of the SELLER, or of any of the employees, or agents or subcontractors of the SELLER.

5. SALARIES AND EXPENSES

All salaries and expenses of the Supervisor, or any other employees employed by the BUYER under this Article, shall be for the BUYER's account.

6. REPORT OF PROGRESS

The BUYER is entitled to require the SELLER to report on condition of progress as to the construction of the VESSEL whenever the BUYER requires during the construction of the VESSEL. Any such report shall be at the sole cost and expense of the SELLER. And the SELLER shall provide the BUYER with a schedule of activities such as steel cutting, prefabrication, erection, outfitting, and key-event dates such as keel-laying, launching, etc.

7. REPLACEMENT OF SUPERVISOR

The SELLER has the right to request the BUYER in writing to replace any Supervisor who is deemed unsuitable and unsatisfactory for the proper progress of the VESSEL's construction together with reasons. The BUYER shall investigate the situation by sending its representative to the SELLER's yard, if necessary, and if the BUYER considers that such SELLER's request is justified, the BUYER shall effect the replacement as soon as conveniently arrangeable.

ARTICLE V MODIFICATIONS, CHANGES AND EXTRAS

1. HOW EFFECTED

The Specifications and Plans in accordance with which the VESSEL is constructed, may be modified and/or changed at any time hereafter by written agreement of the parties hereto, provided that such modifications and/or changes or an accumulation thereof will not, in the SELLER's reasonable judgement, taking into account the current status of the construction of the VESSEL, adversely affect the SELLER's other commitments and provided further that the BUYER shall assent to adjustment of the Contract Price, time of delivery of the VESSEL and other terms of this Contract, if any, as hereinafter provided. Subject to the above, the SELLER hereby agrees to exert its best efforts to accommodate such reasonable requests by the BUYER so that the said changes and/or modifications may be made at a reasonable cost and within the shortest period of time which is reasonable and possible. Any such agreement for modifications and/or changes shall include an agreement as to the increase or decrease, if any, in the Contract Price of the VESSEL together with an agreement as to any extension or reduction in the time of delivery, providing to the SELLER reasonable additional securities satisfactory to the SELLER, or any other alterations in this Contract or the Specifications, which may be occasioned by such modifications and/or changes. The aforementioned agreement to modify and/or to change the Specifications may be effected by an exchange of duly confirmed letters or emails, manifesting such agreement. The letters and emails exchanged by the parties hereto pursuant to the foregoing shall constitute an amendment of the Specifications under which the VESSEL shall be built, and such letters and emails shall be deemed to be incorporated into this Contract and the Specifications by reference and made a part hereof. Upon consummation of the agreement to modify and/or to change the Specifications, the SELLER shall alter the construction of the VESSEL in accordance therewith, including any additions to, or deductions from, the work to be performed in connection with such construction. If for whatever reason, the parties hereto shall fail to agree on the adjustment of the Contract Price or extension of time of delivery or providing reasonable additional security to the SELLER or modification of any terms of this Contract which are necessitated by such modifications and/or changes, then the SELLER shall have no obligation to comply with the BUYER's request for any modification and/or changes.

2. CHANGES IN RULES AND REGULATIONS, ETC.

(1) If, after the date of signing this Contract, any requirements as to the rules and regulations as specified in this Contract and the Specifications to which the construction of the VESSEL is required to conform or the BUYER desires to incorporate and subject to the SELLER's consent, are altered or changed by the Classification Society or the other regulatory bodies authorized to make such alterations or changes, the SELLER and/or the BUYER, upon receipt of the notice thereof, shall transmit such information in full to each

other in writing, whereupon within fourteen (14) days after receipt of the said notice by the BUYER from the SELLER or vice versa, the BUYER shall instruct the SELLER in writing as to the alterations or changes, if any, to be made in the VESSEL which the BUYER, in its sole discretion, shall decide. The SELLER shall promptly comply with such alterations or changes, if any, in the construction of the VESSEL, provided that the BUYER shall first agree:

(a) As to any increase or decrease in the Contract Price of the VESSEL that is occasioned by the cost for such compliance; and/or

(b) As to any extension in the time for delivery of the VESSEL that is necessary due to such compliance; and/or

(c) As to any increase or decrease in the guaranteed deadweight and speed of the VESSEL, if such compliance results in increased or reduced deadweight and speed; and/or

(d) As to any other alterations in the terms of this Contract or of Specifications or both, if such compliance makes such alterations of the terms necessary.

(e) If the price is to be increased, then, in addition, as to providing to the SELLER additional securities satisfactory to the SELLER provided that the SELLER shall not unreasonably refuse to accept or delay in accepting any reasonable security proposed to the SELLER by the BUYER.

Agreement as to such alterations or changes under this Paragraph shall be made in the same manner as provided above for modifications of and/or changes to the Specifications and/or Plans as referred to in Paragraph 1 hereof.

(2) If, for whatever reason, the parties shall fail to agree on the adjustment of the Contract Price or extension of the time for delivery or increase or decrease of the guaranteed speed, deadweight and etc., or providing additional security to the SELLER, or any other alteration of the terms of this Contract, if any, then the SELLER shall be entitled to proceed with the construction of the VESSEL in accordance with, and the BUYER shall continue to be bound by, the terms of this Contract and Specifications without making any such alterations or changes.

However, if the alterations or changes in rules and regulations are compulsorily required to be made, then, notwithstanding any dispute between the Parties relating to the adjustment of the Contract Price or extension of the time for delivery or decrease of the guaranteed speed and deadweight or any other respect, the SELLER shall promptly comply with such alterations or changes first. The BUYER shall, in any event, bear the costs and expenses for such alterations or changes (with, in the absence of mutual agreement, the amount thereof and/or any other discrepancy such as but not limited to the extension of Delivery Date, etc. to be determined by arbitration in accordance with Article XIII of this Contract).

3. SUBSTITUTION OF MATERIALS AND/OR EQUIPMENT

In the event that any of the materials and/or equipment required by the Specifications or otherwise under this Contract for the construction of the VESSEL cannot be procured in time to effect delivery of the VESSEL, the SELLER may, provided the SELLER shall provide adequate evidence and the BUYER so agrees in writing, supply other materials and/or equipment of the equivalent quality, capable of meeting the requirements of the Classification Society and of the rules, regulations, requirements with which the construction of the VESSEL must comply. The BUYER shall agree to the substitution, provided that it does not harm the BUYER's interests.

4. BUYER'S SUPPLIED ITEMS

The BUYER shall deliver to the SELLER at the Dayang the items as specified in the Specifications which the BUYER shall supply on its account by the time designated by the SELLER. The SELLER shall at all times if requested (whether by the Supervisor or otherwise) provide all reasonable assistance to the BUYER in connection with any formal documentary and customs clearance for the import into the People's Republic of China of the BUYER's supplied items.

Should the BUYER fail to deliver to the SELLER such items within the time specified due to its own cause, the delivery of the VESSEL shall automatically be extended for a period of such delay, provided such delay in delivery of the BUYER's supplied items shall affect the delivery of the VESSEL. In such event, the BUYER shall pay to the SELLER all losses and damages sustained by the SELLER due to such delay in the delivery of the BUYER's supplied items and such payment shall be made upon delivery of the VESSEL.

However, if the delay in delivery of the BUYER's supplied items should exceed fifteen (15) days, the SELLER shall be entitled to proceed with construction of the VESSEL without installation of such items in or onto the VESSEL, without prejudice to the SELLER's right hereinabove provided, and the BUYER shall accept the VESSEL so completed.

The SELLER shall be responsible for storing and handling of the BUYER's Supplies as specified in the Specifications after delivery to the SELLER and shall install them on board the VESSEL at the SELLER's expense.

Upon arrival of such shipment of the BUYER's supplied items, both parties shall undertake a joint unpacking inspection. If any damaged item is found to be not suitable for installation, the SELLER shall be entitled to refuse to accept the BUYER's supplied items.

In the event of rescission of the Contract by the BUYER, the SELLER will return all the BUYER's Supplies or compensate the BUYER for the supplies.

ARTICLE VI TRIALS

1. NOTICE

The BUYER and the Supervisor shall receive from the SELLER at least thirty (30) days notice in advance and seven (7) days definite notice in advance by email, of the time and place of the VESSEL's trial (a description of the trial shall be submitted to the BUYER for approval) as described in the Specifications (hereinafter referred to as the "Trial Run") and the BUYER and the Supervisor shall promptly acknowledge receipt of such notice. The BUYER's representatives and/or the Supervisor shall be on board the VESSEL to witness such Trial Run, and to check upon the performance of the VESSEL during the same. Failure of the BUYER's representatives to be present at the Trial Run of the VESSEL, after due notice to the BUYER and the Supervisor as provided above, shall have the effect of extending the date for delivery of the VESSEL by the period of delay caused by such failure to be present. However, if the Trial Run is delayed more than seven (7) days by reason of the failure of the BUYER's representatives to be present after receipt of due notice as provided above, then in such event, the BUYER shall be deemed to have waived its right to have its representatives on board the VESSEL during the Trial Run, and the SELLER may conduct such Trial Run without the BUYER's representatives being present, and in such case the BUYER shall be obliged to accept the VESSEL on the basis of a certificate jointly signed by the SELLER and the Classification Society certifying that the VESSEL, after Trial Run subject to minor alterations and corrections as provided in this Article, if any, is found to conform to the Contract and Specifications. Furthermore, the Contract Delivery Date as stipulated in Article VII hereof shall be extended by the delays so caused by the BUYER.

In the event of unfavourable weather on the date specified for the Trial Run, the same shall take place on the first available day thereafter that the weather conditions permit. The parties hereto recognize that the weather conditions in Chinese waters in which the Trial Run is to take place are such that great changes in weather may arise momentarily and without warning and, therefore, it is agreed that if during the Trial Run of the VESSEL, the weather should suddenly become unfavourable, as would have precluded the continuance of the Trial Run, the Trial Run of the VESSEL shall be discontinued and postponed until the first favourable day next following, unless the BUYER shall assent in writing of its acceptance of the VESSEL on the basis of the Trial Run made prior to such sudden change in weather conditions. In the event that the Trial Run is postponed because of unfavourable weather conditions, such delay shall be regarded as a permissible delay, as specified in Article VIII hereof.

The officers and crew of the BUYER may be on board the VESSEL during the Trial Run to witness it and obtain familiarity with the operation of the VESSEL.

2. HOW CONDUCTED

(a) All expenses in connection with Trial Run of the VESSEL are to be for the account of the SELLER, who, during the Trial Run and when subjecting the VESSEL to Trial Run, is to provide, at its own expense, the necessary crew to comply with conditions of safe navigation.

The Trial Run shall in all circumstances be conducted in such manner and to such standard as the rules and regulations applicable to the VESSEL may require, and comply with the program of test and trial agreed by both parties.

The course of Trial Run shall be determined by the SELLER and shall be conducted within a trial basin.

(b) The SELLER shall provide the VESSEL with the required quantities of water, fuel oil and greases with exception of lubrication oil and hydraulic oil which shall be supplied by the BUYER for the conduct of the Trial Run or Trial Runs as prescribed in the Specifications. The fuel oil and greases supplied by the SELLER, and lubricating oil and hydraulic oil supplied by the BUYER shall be in accordance with the applicable engine specifications, and the cost of the quantities of water, fuel oil, lubricating oil, hydraulic oil and greases consumed during the Trial Run or Trial Runs shall be for the account of the SELLER.

3. TRIAL LOAD DRAFT

In addition to the supplies provided by the BUYER in accordance with sub-paragraph (b) of the preceding Paragraph 2 hereof, the SELLER shall provide the VESSEL with the required quantity of fresh water and other stores necessary for the conduct of the Trial Run. The necessary ballast (fresh and sea water and such other ballast as may be required) to bring the VESSEL to the trial load draft as specified in the Specifications, shall be for the SELLER's account.

4. METHOD OF ACCEPTANCE OR REJECTION

(a) Upon notification by the SELLER of the completion of the Trial Run of the VESSEL, the BUYER or the BUYER's Supervisor shall within six (6) business days thereafter, notify the SELLER by email of its acceptance of the VESSEL or of its rejection of the VESSEL together with the reasons therefor.

(b) However, should the result of the Trial Run indicate that the VESSEL or any part thereof including her equipment does not conform to the requirements of this Contract and the Specifications, then the SELLER shall investigate with the Supervisor the cause of failure and shall take proper steps to remedy the same and shall make whatever corrections and alterations and/or re-Trial Run or Runs as may be necessary without extra cost to the BUYER, and upon notification by the SELLER of completion of such alterations or corrections and/or re-trial or re-trials, the BUYER shall, within six (6) business days thereafter, notify the SELLER by email of its acceptance of the VESSEL or of the rejection of the VESSEL together with the reason therefor on the basis of the alterations and corrections and/or re-trial or re-trials by the SELLER.

(c) In the event that the BUYER fails to notify the SELLER by email of its acceptance or rejection of the VESSEL together with the reason therefor within six (6) business days as provided for in the above Sub-paragraphs (a) and (b), the BUYER shall be deemed to have accepted the VESSEL.

(d) Any dispute arising among the parties hereto as to the result of any Trial Run or further tests or trials, as the case may be, of the VESSEL shall be solved by reference to arbitration as provided in Article XIII hereof.

(e) Nothing herein shall preclude the BUYER from accepting the VESSEL with its qualifications and/or remarks following the Trial Run and/or further tests or trials as aforesaid and the SELLER shall be obliged to comply with and/or remove such qualifications and/or remarks (if such qualifications and/or remarks are acceptable to the SELLER) before effecting delivery of the VESSEL to the BUYER under this Contract.

5. DISPOSITION OF SURPLUS CONSUMABLE STORES

Should any amount of fuel oil, fresh water, or other consumable stores furnished by the SELLER for the Trial Run or Trial Runs remain on board the VESSEL at the time of acceptance thereof by the BUYER, the BUYER agrees to buy the same from the SELLER at the current market price at the port of delivery thereof, and payment by the BUYER shall be effected as provided in Article II 3 (e) and 4 (e) of this Contract.

The BUYER shall supply lubricating oil and hydraulic oil for the purpose of Trial Runs at its own expenses and the SELLER will reimburse for the amount of lubricating oil and hydraulic oil actually consumed for the said Trial Run or Trial Runs at the original price incurred by the BUYER and payment by the SELLER shall be deducted from the fifth instalment payable as provided in Article II 3(e) and 4(e) of this Contract.

6. EFFECT OF ACCEPTANCE

The BUYER's acceptance of the VESSEL by email sent to the SELLER, in accordance with the provisions set out above, subject as provided in paragraph 4(e) above shall be final and binding so far as conformity of the VESSEL to this Contract and the Specifications is concerned, and shall preclude the BUYER from refusing formal delivery by the SELLER of the VESSEL, as hereinafter provided, if the SELLER complies with all other procedural requirements for delivery as hereinafter set forth.

If, at the time of delivery of the VESSEL, there are deficiencies and/or non-conformities in the VESSEL or the certificates procured by the SELLER have conditions/recommendations, such deficiencies and/or non-conformities and/or conditions and/or recommendations should be resolved in such way that if the deficiencies or non-conformities or condition/recommendations are of minor importance, and do not in any way affect the safety or the operation of the VESSEL, her crew, passengers or cargo, the SELLER shall be nevertheless entitled to tender the VESSEL for delivery and the BUYER shall be nevertheless obliged to take delivery of the VESSEL, provided that:

(i) the SELLER shall for its own account remedy the deficiency and fulfil the requirements as soon as possible, or

(ii) if elimination of such deficiencies and/or non-conformities and/or conditions and/or recommendations will affect timely delivery of the VESSEL, then the SELLER shall indemnify the BUYER for any actual and direct cost reimbursement in association with remedying these outstanding deficiencies or non-conformities or removal of the condition/recommendations elsewhere than the Dayang as a consequence thereof, excluding, however, loss of time and/or loss of profit.

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ARTICLE VII DELIVERY

1. TIME AND PLACE

The VESSEL shall be delivered safely afloat at a safe berth in Dayang by the SELLER to the BUYER, in accordance with the Specifications and with all Classification and Statutory Certificates and after completion of Trial Run (or, as the case may be, re-Trial or re-Trials) and accepted by the BUYER in accordance with the provisions of Article VI hereof on or before 31st May 2030 provided that in the event of delays in the construction of the VESSEL or any performance required under this Contract due to causes which under the terms of the Contract permit extension of the time for delivery, the aforementioned time for delivery of the VESSEL shall be extended accordingly.

The aforementioned date or such later date to which delivery is extended pursuant to the terms of this Contract is herein called the "Contract Delivery Date".

The SELLER shall give the BUYER at least 30 Days and 7 Days approximate delivery notice and at least 3 Days definite delivery notice in writing.

2. WHEN AND HOW EFFECTED

Provided that the BUYER and the SELLER shall each have fulfilled all of their respective obligations as stipulated in this Contract, delivery of the VESSEL shall be effected forthwith by the concurrent delivery by each of the parties hereto, one to the other, of the Protocol of Delivery and Acceptance, acknowledging delivery of the VESSEL by the SELLER and acceptance thereof by the BUYER, which Protocol shall be prepared in quadruplicate and executed by each of the parties hereto.

3. DOCUMENTS TO BE DELIVERED TO THE BUYER

Upon acceptance of the VESSEL by the BUYER, the SELLER shall deliver to the BUYER the following documents in the English language which shall accompany the aforementioned Protocol of Delivery and Acceptance:

(a) BUILDER'S CERTIFICATE issued by the Dayang and notarized and apostilled.

Photostatic copies of the Builder's Certificate will need to be provided at least seven (7) business days prior to actual delivery to assist the BUYER in registering the VESSEL.

(b) BILL OF SALE issued by SELLER and notarized and apostilled.

(c) COMMERCIAL INVOICE issued by the SELLER.

(d) DECLARATION OF WARRANTY issued by the SELLER that the VESSEL is delivered to the BUYER free and clear of any liens, charges, claims, mortgages, or other encumbrances upon the BUYER's title thereto, and in particular, that the VESSEL is absolutely free of all burdens in the nature of charges, dues, duties, fines, imposts, levies, or taxes imposed by the province or country of the port of delivery, as well as of all liabilities of the SELLER to its subcontractors, employees and crews and/or all liabilities arising from the operation of the VESSEL in Trial Run or Trial Runs, or otherwise, prior to delivery.

(e) ALL CERTIFICATES OR RELEVANT DOCUMENTS required to be furnished upon delivery of the VESSEL pursuant to this Contract and the Specifications. Certificates or relevant documents shall be issued by relevant Authorities or Classification Society as stipulated in the Contract and Specifications. All the certificates shall be delivered in one (1) original to the VESSEL and two (2) copies to the BUYER.

If the full term certificate or certificates are unable to be issued at the time of delivery by the Classification Society or any third party, then the provisional certificate or certificates as issued by the Classification Society or the third party shall be acceptable to the BUYER provided that the full term certificates shall be furnished by the SELLER after delivery of the VESSEL and in any event before the expiry of the provisional certificates.

(f) Certificate of Non-Registration to be issued by the SELLER stating that the VESSEL is not registered in any register at the time of delivery. This certificate shall be notarised and apostilled.

(g) FINISHED DRAWINGS AND PLANS and INSTRUCTION MANUALS, made by the SELLER, all in English and all in triplicate, shall be delivered together with the VESSEL as stipulated in the Specifications.

(h) PROTOCOL OF TRIALS of the VESSEL made by the SELLER pursuant to the Specifications.

(i) PROTOCOL OF INVENTORY of the equipment of the VESSEL including spare part and the like, all as specified in the Specifications, made by the SELLER.

(j) PROTOCOL OF STORES OF CONSUMABLE NATURE made by the SELLER.

(k) PROTOCOL OF DEADWEIGHT AND INCLINING EXPERIMENT made by the SELLER.

(l) PROTOCOL OF TRIALS of the VESSEL made by the SELLER pursuant to the Specifications.

4. TITLE AND RISK

Title to and risk of the VESSEL shall pass to the BUYER only upon delivery and the receipt of the 5^{th} instalment by the SELLER. As stated above, it is expressly understood that, until Delivery, title to the VESSEL, and her equipment, shall remain at all times with the SELLER and at the entire risk of the SELLER.

5. REMOVAL OF VESSEL

The BUYER shall take possession of the VESSEL immediately upon delivery and acceptance thereof, and shall remove the VESSEL from the premises of the SELLER within seven (7) days after delivery and acceptance thereof are effected. If the BUYER shall not remove the VESSEL from the premises of the SELLER within the aforesaid seven (7) days, then, in such event, without prejudice to the SELLER's right to require the BUYER to remove the VESSEL immediately at any time thereafter, the BUYER shall pay to the SELLER a reasonable mooring charge for the VESSEL.

6. TENDER OF THE VESSEL

If the BUYER fails to take delivery of the VESSEL after completion thereof according to this Contract and the Specifications without justified reason, the SELLER shall have the right to tender the VESSEL for delivery after compliance with all procedural requirements as above provided.

ARTICLE VIII DELAYS & EXTENSION OF TIME FOR DELIVERY

1. CAUSE OF DELAY

If, at any time before actual delivery, either the construction of the VESSEL, or any performance required hereunder as a prerequisite to delivery of the VESSEL, is delayed due to war, blockade, revolution, insurrection, mobilization, civil commotions, riots, strikes, sabotage, lockouts, Acts of God or the public enemy, plague or other epidemics, quarantines, prolonged failure or restriction of electric current from an outside source, freight embargoes, if any, extremely hot climate, earthquakes, tidal waves, typhoons, hurricanes, storms or other causes beyond the control of the SELLER or of its subcontractors, as the case may be, or by force majeure of any description, whether of the nature indicated by the foregoing or not, or by destruction of the SELLER or works of the SELLER or its subcontractors, or of the VESSEL or any part thereof, by fire, flood, or other causes beyond the control of the SELLER or its subcontractors as the case may be, or due to the bankruptcy of the equipment and/or material supplier or suppliers, the hidden defect in casting material, then, in the event of delay due to the happening of any of the aforementioned contingencies, the SELLER shall not be liable for such delay and the time for delivery of the VESSEL under this Contract shall be extended without any reduction in the Contract Price for a period of time which shall not exceed the total accumulated time of all such delays, subject nevertheless to the BUYER's right of cancellation under Paragraph 3 of this Article and subject however to all relevant provisions of this Contract which authorize and permit extension of the time of delivery of the VESSEL.

2. NOTICE OF DELAY

Within seven (7) days from the date of commencement of any delay on account of which the SELLER claims that it is entitled under this Article to postpone the delivery of the VESSEL, the SELLER shall advise the BUYER by email of the date such delay commenced, and the reasons therefor.

Likewise within seven (7) days after such delay ends, the SELLER shall advise the BUYER by email, of the date such delay ended, and within 30 days after such delay ends, the SELLER shall notify the BUYER of the period by which the date for delivery of the VESSEL is postponed by reason of such delay with documentary evidence or other sound proof of the duration of such event causing delay. Failure of the BUYER to object to the SELLER's notification and claim to postpone the delivery of the VESSEL within seven (7) days after receipt by the BUYER of such notification, shall be deemed to be a waiver by the BUYER of its right to object to such postponement.

3. RIGHT TO CANCEL FOR EXCESSIVE DELAY

If the total accumulated time of all permissible delays and non-permissible delays aggregates to two hundred and forty (240) days or more, excluding delays due to arbitration as provided for in Article XIII hereof or due to default in performance by the BUYER, or due to delays in delivery of the BUYER's supplied items, and excluding delays due to causes which, under Articles V, XI and XII hereof, permit extension or postponement of the time for delivery of the VESSEL, then in such event, the BUYER may in accordance with the provisions set out herein cancel this Contract by serving upon the SELLER notice of cancellation which shall be confirmed in writing and the provisions of Article X of this Contract shall apply. The SELLER may, at any time, after the accumulated time of the aforementioned delays justifying cancellation by the BUYER as above provided for, demand in writing that the BUYER shall make an election, in which case the BUYER shall, within fifteen (15) days after such demand is received by the BUYER either notify the SELLER of its intention to cancel, or consent to an extension of the time for delivery to an agreed future date, it being understood and agreed by the parties hereto that, if any further delay occurs on account of causes justifying cancellation as specified in this Contract, the BUYER shall have the same right of cancellation upon the same terms as hereinabove provided (i.e., if VESSEL is not in all respects ready for delivery in accordance with the Contract at such agreed future date, the BUYER may immediately elect to cancel).

4. DEFINITION OF PERMISSIBLE DELAY

Delays on account of such causes as provided for in Paragraph 1 of this Article, but excluding any other extensions of a nature which under the terms of this Contract permit postponement of the Contract Delivery Date, shall be understood to be (and are herein referred to as) permissible delays, and are to be distinguished from non-permissible delays on account of which the Contract Price of the VESSEL is subject to adjustment as provided for in Article III hereof.

ARTICLE IX WARRANTY OF QUALITY

1. GUARANTEE OF MATERIAL AND WORKMANSHIP

The SELLER, for a period of twelve (12) months following delivery to the BUYER of the VESSEL, or as for repaired or replacement parts, twelve (12) months from the date of repair or replacement but in any case not exceeding maximum eighteen (18) months from the date of delivery to the BUYER of the VESSEL, guarantees the VESSEL, her hull and machinery and all parts and equipment thereof that are manufactured or furnished or supplied by the SELLER and/or its subcontractors under this Contract including materials and equipment (however excluding any parts for the VESSEL which have been supplied by or on behalf of the BUYER) against all defects which are due to defective materials, and/or poor workmanship.

2. NOTICE OF DEFECTS

The BUYER shall notify the SELLER in writing as promptly as possible, after discovery of any defect or deviations for which a claim is made under this guarantee. The BUYER's written notice shall describe the nature of the defect and the extent of the damage caused thereby. The SELLER shall have no obligation under this guarantee for any defects discovered prior to the expiry date of the guarantee, unless notice of such defects, is received by the SELLER not later than seven (7) days after such expiry date.

3. REMEDY OF DEFECTS

The SELLER shall remedy at its expense any defects, against which the VESSEL or any part of the equipment thereof is guaranteed under this Article by making all necessary repairs and/or replacement. Such repairs and/or replacement will be made by the SELLER.

However, if it is impractical for the SELLER to make the repair and if forwarding by the SELLER of replacement parts, and materials cannot be accomplished without impairing or delaying the operation or working of the VESSEL, then, in any such event, the BUYER shall, cause the necessary repairs or replacements to be made elsewhere at the discretion of the BUYER provided that the BUYER shall first and in all events, as soon as possible, give the SELLER notice in writing of the time and place such repairs will be made and, if the VESSEL is not thereby delayed or her operation or working is not thereby delayed or impaired, the SELLER shall have the right to verify by its own representative(s) or that of Classification Society the nature and extent of the defects complained of. The SELLER shall, in such cases, promptly advise the BUYER, by email, after such examination has been completed, of its acceptance or rejection of the defects as ones that are subject to the guarantee herein provided.

In any circumstances as set out below, the SELLER shall immediately pay to the BUYER in United States Dollars by telegraphic transfer the actual cost for such repairs or replacements including forwarding charges, or at the average cost for making similar repairs or replacements including forwarding charges as quoted by the leading shipyards in the P.R.China:

(a) Upon the SELLER's acceptance of the defects as justifying remedy under this Article, or

(b) If the SELLER neither accepts nor rejects the defects as above provided, nor request arbitration within sixty (60) days after its receipt of the BUYER's notice of defects.

In any case, the VESSEL shall be taken at the BUYER's cost and responsibility to the place elected, ready in all respects for such repairs or replacements.

Any dispute shall be referred to arbitration in accordance with the provisions of Article XIII hereof.

Any guarantee items which are covered by the terms or the scope of the guarantee but which have not been settled by the date on which the guarantee itself terminates, shall be settled within thirty (30) days after the amounts have been agreed between the parties or, in the case of disagreement, within thirty (30) days after publication of the relevant arbitration award.

4. EXTENT OF THE SELLER'S LIABILITY

The SELLER shall have no obligation and/or liabilities with respect to defects discovered after the expiration of the period of guarantee specified above.

The SELLER shall be liable to the BUYER for defects and damages caused by any of the defects specified in Paragraph 1 of this Article provided that such liability of the SELLER shall be limited to damage occasioned within the guarantee period specified in Paragraph 1 above. The SELLER shall not be obligated to repair, or to be liable for, damages to the VESSEL, or to any part of the equipment thereof, due to ordinary wear and tear or caused by the defects other than those specified in Paragraph 1 above, nor shall there be any SELLER's liability hereunder for defects in the VESSEL, or any part of the equipment thereof, caused by fire or accidents at sea or elsewhere, or mismanagement, accidents, negligence, or wilful neglect, on the part of the BUYER, its employees or AGENTs including the VESSEL's officers, crew and passengers, or any persons on or doing work on the VESSEL other than the SELLER, its employees, AGENTs or subcontractors. Likewise, the SELLER shall not be liable for defects in the VESSEL, or the equipment or any part thereof, due to repairs or replacement which were made by those other than the SELLER and/or its subcontractors.

Upon delivery of the VESSEL to the BUYER, in accordance with the terms of the Contract, the SELLER shall thereby and thereupon be released of all responsibility and liability whatsoever and howsoever arising under or by virtue of this Contract (save in respect of those obligations to the BUYER expressly provided for in this Article IX) including without limitation, any responsibility or liability for defective workmanship, materials or equipment, design or in respect of any other defects whatsoever and any loss or damage resulting from any act, omission or default of the SELLER. The SELLER shall not, in any circumstances, be liable for any consequential loss or special loss, or expenses arising from any cause whatsoever including, without limitation, loss of time, loss of profit or earnings or demurrage directly from any commitments of the BUYER in connection with the VESSEL.

The guarantee provided in this Article and the obligations and the liabilities of the SELLER hereunder are exclusive and in lieu of and the BUYER hereby waives all other remedies, warranties, guarantees or liabilities, express or implied, arising by Law or otherwise (including without limitation any obligations of the SELLER with respect to fitness, merchantability and consequential damages) or whether or not occasioned by the SELLER's negligence. This guarantee shall not be extended, altered or varied except by a written instrument signed by the duly authorized representatives of the SELLER and the BUYER.

ARTICLE X CANCELLATION, REJECTION AND RESCISSION BY THE BUYER

1. All payments made by the BUYER prior to the delivery of the VESSEL shall be in the nature of advance to the SELLER. In the event the BUYER shall exercise its right of cancellation and/or rescission of this Contract under and pursuant to any of the provisions of this Contract specifically permitting the BUYER to do so, then the BUYER shall notify the SELLER in writing, and such cancellation and/or rescission shall be effective as of the date the notice thereof is received by the SELLER.

2. Thereupon the SELLER shall refund in United States Dollars immediately to the BUYER the full amount of all sums paid by the BUYER to the SELLER on account of the VESSEL, unless the SELLER disputes the BUYER's cancellation and/or rescission by instituting arbitration in accordance with Article XIII. If the BUYER's cancellation or rescission of this Contract is disputed by the SELLER by instituting arbitration as aforesaid, then no refund shall be made by the SELLER, and the BUYER shall not be entitled to demand repayment from the SELLER's bank under its guarantee, until the arbitration award between the BUYER and the SELLER which shall be in favour of the BUYER, declaring the BUYER's cancellation and/or rescission justified, is made and delivered to the SELLER by the arbitration tribunal. In the event the SELLER is obligated to make refundment, the SELLER shall pay the BUYER interest in United States Dollars at the rate of five percent (5%) if the cancellation or rescission of the Contract is exercised by the BUYER for the delay of aggregate two hundred and forty (240) days in accordance with the provision of Paragraph 3 of Article VIII or/by the events described in Article III 1(c), 2(c), 3(c) or 4(c) hereof, however in the event of total loss as described in Article XII of this Contract, then, no interest will be refunded on the amount required herein to be refunded to the BUYER, computed from the respective dates when such sums were received by the SELLER's bank to the date of remittance by telegraphic transfer of such refund to the BUYER by the SELLER.

3. Upon such refund by the SELLER to the BUYER, all obligations, duties and liabilities of each of the parties hereto to the other under this Contract and any applicable laws shall be forthwith completely discharged.

ARTICLE XI BUYER'S DEFAULT

1. DEFINITION OF DEFAULT

The BUYER shall be deemed in default of its obligation under the Contract if any of the following events occurs:

(a) The BUYER fails to pay the first or second or third or fourth instalment to the SELLER when any such instalment becomes due and payable under the provisions of Article II hereof and provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(b) The BUYER fails to pay the fifth instalment to the SELLER in accordance with Paragraphs 3 (e) and 4 (e) of Article II hereof provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(c) The BUYER fails to take delivery of the VESSEL, when the VESSEL is duly tendered for delivery under the provisions of Article VII hereof by the SELLER after completion thereof in accordance with the provisions of this Contract and the Specifications.

2. NOTICE OF DEFAULT

If the BUYER is in default of payment or in performance of its obligations as provided hereinabove, the SELLER shall notify the BUYER to that effect by email or other ways in writing after the date of occurrence of the default as per Paragraph 1 of this Article and the BUYER shall forthwith acknowledge by email or other ways in writing to the SELLER that such notification has been received. In case the BUYER does not give the aforesaid acknowledgment to the SELLER within five (5) calendar days it shall be deemed that such notification has been duly received by the BUYER.

3. INTEREST AND CHARGE

(a) If the BUYER is in default of payment as to any instalment as provided in Paragraph 1 (a) and/or 1 (b) of this Article, the BUYER shall pay interest on such instalment at the rate of five percent (5%) per annum from the due date thereof until the date of the payment of the full amount, including all aforesaid interest. In case the BUYER shall fail to take delivery of the VESSEL when required to as provided in Paragraph 1 (c) of this Article, the BUYER shall be deemed in default of payment of the fifth instalment and shall pay interest thereon at the same rate as aforesaid from and including the day on which the

VESSEL is tendered for delivery by the SELLER, as provided in Article VII Paragraph 6 hereof.

(b) In any event of default by the BUYER under 1 (a) or 1 (b) or 1(c) above, the BUYER shall also pay all costs, charges and expenses incurred by the SELLER in consequence of such default.

4. DEFAULT BEFORE DELIVERY OF THE VESSEL

(a) If any default by the BUYER occurs as defined in Paragraph 1 (a) or 1 (b) or 1(c) of this Article, the Contract Delivery Date shall, at the SELLER's option, be postponed for a period of continuance of such default by the BUYER.

(b) If any such default as defined in Paragraph 1 (a) or 1 (b) or 1(c) of this Article committed by the BUYER continues for a period of fifteen (15) days, then, the SELLER shall have all following rights and remedies:

(i) The SELLER may, at its option, cancel or rescind this Contract, provided the SELLER has notified the BUYER of such default pursuant to Paragraph 2 of this Article, by giving notice of such effect to the BUYER by email or other ways in writing. Upon receipt by the BUYER of such notice of cancellation or rescission, all of the BUYER's Supplies shall forthwith become the sole property of the SELLER, and the VESSEL and all its equipment and machinery shall be at the sole disposal of the SELLER for sale or otherwise; and

(ii) In the event of such cancellation or rescission of this Contract, the SELLER shall be entitled to retain any instalment or instalments of the Contract Price paid by the BUYER to the SELLER on account of this Contract.

(iii) (Applicable to any BUYER's default defined in 1 (a) of this Article) The SELLER shall, without prejudice to the SELLER's right to recover from the BUYER the fifth instalment, interest, costs and/or expenses by applying the proceeds to be obtained by the sale of the VESSEL in accordance with the provisions set out in this Contract, have the right to declare all unpaid 1st , 2nd , 3rd and 4th instalments to be forthwith due and payable, and upon such declaration, the SELLER shall have the right to immediately demand the payment of the aggregate amount of all unpaid 1st , 2nd , 3rd and 4th instalments from the Guarantor in accordance with the terms and conditions issued by the Guarantor.

5. SALE OF THE VESSEL

(a) In the event of cancellation or rescission of this Contract as above provided, the SELLER shall have full right and power either to complete or not to complete the VESSEL as it deems fit, and to sell the VESSEL at a public or private sale on such terms and conditions as the SELLER thinks fit without being answerable for any loss or damage occasioned to the BUYER thereby.

In the case of sale of the VESSEL, the SELLER shall give email or other written notice to the BUYER.

(b) In the event of the sale of the VESSEL in its completed state, the proceeds of sale received by the SELLER shall be applied firstly to payment of all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all unpaid instalments and/or unpaid balance of the Contract Price and interest on such instalment at the interest rate as specified in the relevant provisions set out above from the respective due dates thereof to the date of application.

(c) In the event of the sale of the VESSEL in its incomplete state, the proceeds of sale received by the SELLER shall be applied firstly to all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all costs of construction of the VESSEL (such costs of construction, as herein mentioned, shall include but are not limited to all costs of labour and/or prices paid or to be paid by the SELLER for the equipment and/or technical design and/or materials purchased or to be purchased, installed and/or to be installed on the VESSEL) and/or any fees, charges, expenses and/or royalties incurred and/or to be incurred for the VESSEL less the prepayment so retained by the SELLER, and compensation to the SELLER for a reasonable sum of loss of profit due to the cancellation or rescission of this Contract.

(d) In either of the above events of sale, if the proceed of sale exceeds the total of the amounts to which such proceeds are to be applied as aforesaid, the SELLER shall promptly pay the excesses to the BUYER without interest, provided, however that the amount of the payment to the BUYER shall in no event exceed the total amount of prepayment already paid by the BUYER and the cost of the BUYER's Supplies, if any.

(e) If the proceed of sale are insufficient to pay such total amounts payable as aforesaid, the BUYER shall promptly pay the deficiency to the SELLER upon request.

ARTICLE XII INSURANCE

1. EXTENT OF INSURANCE COVERAGE

From the time of keel-laying of the first section of the VESSEL until the same is completed, delivered to and accepted by the BUYER, the SELLER shall, at its own cost and expense, keep the VESSEL and all machinery, materials, equipment, appurtenances and outfit, delivered to the SELLER for the VESSEL or built into, or installed in or upon the VESSEL, including the BUYER's Supplies, fully insured with first class Chinese insurance companies for SELLER's risk.

The amount of such insurance coverage shall, up to the date of delivery of the VESSEL, be in an amount at least equal to, but not limited to, the aggregate of the payments made by the BUYER to the SELLER. The policy referred to hereinabove shall be taken out in the name of the SELLER and all losses under such policy shall be payable to the SELLER.

2. APPLICATION OF RECOVERED AMOUNT

(a) Partial Loss:

In the event the VESSEL shall be damaged by any insured cause whatsoever prior to delivery thereof by the SELLER and in the further event that such damage shall not constitute an actual or a constructive total loss of the VESSEL, the SELLER shall apply the amount recovered under the insurance policy referred to in Paragraph 1 of this Article to the repair of such damage satisfactory to the Classification Society, and other institutions or authorities as described in the Specifications, and to the reasonable satisfaction of the BUYER without additional expenses to the BUYER, and the BUYER shall accept the VESSEL under this Contract if completed in accordance with this Contract and Specifications and not make any claim for any consequential loss or depreciation.

(b) Total Loss:

However, in the event that the VESSEL is determined to be an actual or constructive total loss, the SELLER shall either:

(i) By the mutual agreement between the parties hereto, proceed in accordance with terms of this Contract, in which case the amount recovered under said insurance policy shall be applied to the reconstruction and/or repair of the VESSEL's damages and/or replacement and reinstallation of BUYER's Supplies without additional expenses to the BUYER, provided the parties hereto shall have first agreed in writing as to such reasonable extension of the Contract Delivery Date and adjustment of other terms of this Contract including the Contract Price as may be necessary for the completion of such reconstruction; or

(ii) If for whatever reason the parties fail to agree on the above, then refund immediately to the BUYER the amount of all instalments paid to the SELLER under this Contract without interest together with recovered amount for BUYER's Supplies onboard, whereupon this Contract shall be deemed to be cancelled and all rights, duties, liabilities and obligations of each of the parties to the other shall terminate forthwith.

Within thirty (30) days after receiving notice of any damage to the VESSEL constituting an actual or a constructive total loss, the BUYER shall notify the SELLER in writing of its agreement or disagreement under this sub-paragraph. In the event the BUYER fails to so notify the SELLER, then such failure shall be construed as a disagreement on the part of the BUYER. This Contract shall be deemed as rescinded and cancelled and the BUYER receive the refund as hereinabove provided and the provisions hereof shall apply.

(c) In case of any damages to the VESSEL, the SELLER shall notify the BUYER of the extent of damage to the VESSEL within thirty (30) days.

3. TERMINATION OF THE SELLER'S OBLIGATION TO INSURE

The SELLER's obligation to insure the VESSEL hereunder shall cease and terminate forthwith upon delivery thereof to the BUYER.

ARTICLE XIII DISPUTES AND ARBITRATION

1. PROCEEDINGS

In the event of any dispute between the BUYER and the SELLER as to any matter arising out of or relating to this Contract or any stipulation herein or with respect thereto which cannot be settled by the BUYER and the SELLER themselves, such dispute shall be resolved by arbitration in London Maritime Arbitrators Association (LMAA) in accordance with the Laws of England and the rules and terms of LMAA current at the time when the arbitration proceedings are commenced. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute.

In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators shall apply to the President for the time being of LMAA to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators, as the case may be, shall be final, conclusive and binding upon the parties hereto.

The arbitration will be conducted in London. The language of the arbitration shall be English. The law governing this arbitration provision shall be English law.

The parties mutually agree to cooperate with each other so as to achieve the objective that the arbitration award can be rendered as expeditiously as possible.

2. ALTERNATIVE ARBITRATION BY AGREEMENT

Notwithstanding the preceding provisions of this Article, it is recognized that in the event of any dispute or difference of opinion arising in regard to the construction of the

VESSEL, her machinery and equipment, or concerning the quality of materials or workmanship thereof or thereon, such dispute may be referred to the Classification Society upon mutual agreement of the parties hereto. In such case, the opinion of the Classification Society shall be final and binding on the parties hereto.

3. NOTICE OF AWARD

Notice of any award shall immediately be given in writing to the SELLER and the BUYER.

4. EXPENSES

The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear.

5. AWARD OF ARBITRATION

Award of arbitration, shall be final and binding upon the parties concerned. The right for appeal available under the English laws is hereby expressly precluded and excluded by the parties hereto.

6. ENTRY IN COURT

Judgment on any award may be entered in any court of competent jurisdiction.

7. ALTERATION OF DELIVERY TIME

In the event of reference to arbitration of any dispute arising out of matters occurring prior to delivery of the VESSEL, the SELLER shall not be entitled to extend the Delivery Date as defined in Article VII hereof and the BUYER shall not be entitled to postpone its acceptance of the VESSEL on the Delivery Date or on such newly planned time of delivery of the VESSEL as declared by the SELLER. However, if the construction of the VESSEL is affected by any arbitration, the SELLER shall then be permitted to extend the Delivery Date as defined in Article VII and the decision or the award shall include a finding as to what extent the SELLER shall be permitted to extend the Delivery Date.

ARTICLE XIV RIGHT OF ASSIGNMENT, TRANSFER, NOVATION AND NOMINATION

1. SELLER'S ASSIGNMENT

The SELLER shall have the right to assign the benefits of this Contract to the SELLER's financiers for the purpose of securing the SELLER's financing.

2. BUYER'S ASSIGNMENT, TRANSFER, NOVATION OR NOMINATION

(a) The BUYER shall have the right to assign the benefits of this Contract to the BUYER's financiers for the purpose of securing the BUYER's financing.

(b) The BUYER shall have the right, subject to the SELLER's consent which shall not be unreasonably withheld, to assign, transfer or novate this Contract to any other third party and shall also have the right to nominate any other third party to take delivery of the VESSEL.

In the event of such assignment, transfer or novation to a third party (the "NEW BUYER") with the consent of the SELLER as mentioned under subparagraph (b) above, the SELLER shall procure the SELLER's bank to issue a new Refund Guarantee for the 1st, 2nd, 3rd and 4th instalments in the form acceptable to the NEW BUYER and in favour of the NEW BUYER, and the BUYER shall surrender the Refund Guarantee issued by the SELLER's bank under this Contract in favour of the BUYER.

It is understood that any documented expenses or legal charges duly incurred by and/or attributable to any assignment or transfer or novation of this Contract and/or the Refund Guarantee as requested by the BUYER, shall be for the BUYER's account.

ARTICLE XV TAXES AND DUTIES

1. TAXES AND DUTIES INCURRED IN CHINA

The SELLER shall bear and pay all taxes, duties, stamps, dues, levies, and fees of whatsoever nature incurred or imposed in the People's Republic of China in connection with the execution and/or performance of this Contract by the SELLER and its subcontractors and any payments to be made hereunder by the BUYER. The SELLER will assist the BUYER in the respect of BUYER's Supplies to be imported into the People's Republic of China in compliance with the laws of the People's Republic of China.

2. TAXES AND DUTIES INCURRED OUTSIDE CHINA

The BUYER shall bear and pay all taxes, duties, stamps, and fees outside the People's Republic of China in connection with execution and/or performance of this Contract by the BUYER except for taxes, duties, stamps, dues, and fees imposed upon the items which are to be procured by the SELLER for the construction of the VESSEL in accordance with the terms of this Contract and the Specification.

ARTICLE XVI PATENTS, TRADEMARKS AND COPYRIGHTS

The machinery and equipment of the VESSEL may bear the patent number, trademarks or trade names of the manufacturers. The SELLER shall defend and save harmless the BUYER from patent liability or claims of patent infringement of any nature or kind, including costs and expenses for, or on account of any patented or patentable invention made or used in the performance of this Contract and also including cost and expense of litigation, if any.

Nothing contained herein shall be construed as transferring any patent or trademark rights or copyright in equipment covered by this Contract, and all such rights are hereby expressly reserved to the true and lawful owners thereof. Notwithstanding any provisions contained herein to the contrary, the SELLER's obligation under this Article will not be terminated by the passage of any specified period of time.

The SELLER's indemnity hereunder does not extend to equipment or parts supplied by the BUYER to the SELLER if any.

ARTICLE XVII NOTICE

Any and all notices and communications in connection with this Contract shall be addressed as follows:

To the BUYER:		JINGANG MARINE INC.
Address	:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong, China
Tel	:	+852-25450951
Email	:	sfng@jinhuiship.com; mng@jinhuiship.com; shumyh@jinhuiship.com; tsangth@jinhuiship.com newbuilding@jinhuiship.com
PIC	:	Mr. S.F. Ng; Mr. Michael Ng; Mr. Y.H. Shum; Mr. T.H. Tsang

To the SELLER

(1) To the SUMEC:		SUMEC MARINE CO., LTD.
Address	:	198 Changjiang Road, Nanjing, Jiangsu, China 210018
Tel	:	+ 86 (25) 84532027
Email	:	chengx@sumec.com.cn
PIC	:	Mr. Chen Guanxing

and

(2) To the Dayang:		New Dayang Shipbuilding Co., Ltd.
Address	:	8# Yongda Road, Lidian town, Guangling district, Yangzhou City, Jiangsu, China
Tel	:	+ 86-514-89789188
Email	:	zhengchuanyuanyz@sumec.com.cn
PIC	:	Ms. Zheng Chuanyuan

Any change of address shall be communicated by email or other ways in writing by the party making such change to the other party and in the event of failure to give such notice of change, communications addressed to the party at their last known address shall be deemed sufficient.

Any and all notices, requests, demands, instructions, advice and communications in connection with this Contract shall be deemed to be given at, and shall become effective from, the time when the same is delivered to the address of the party to be served, provided, however, that registered airmail shall be deemed to be delivered ten (10) days after the date of dispatch, express courier service shall be deemed to be delivered five (5) days after the date of dispatch, and email transmissions shall be deemed as delivered upon the subject email has been removed to the "Sent" box on the sending computer, unless there is a return or undelivered notification.

Any and all notices, communications, Specifications and drawings in connection with this Contract shall be written in the English language and each party hereto shall have no obligation to translate them into any other language.

ARTICLE XVIII EFFECTIVE DATE OF CONTRACT

This Contract shall become effective upon due execution of this Contract and the Specifications.

In the event that even if having made every effort, the BUYER and SELLER's bank fail to reach agreement on the final form and wording of the Refund Guarantee which made the Refund Guarantee not issued within sixty (60) days after execution of this Contract, unless an extension of time limit is mutually agreed, then any party of this Contract shall get the right to make this Contract cancelled, null, void and having no effect any more by a written notice. And no party shall be liable for this cancelation to the other for any loss or damage (if any) whether under this Contract or under any applicable laws.

ARTICLE XIX INTERPRETATION

1. LAW APPLICABLE

The parties hereto agree that the validity and interpretation of this Contract and of each Article and part hereof be governed by and interpreted in accordance with the Laws of England.

2. DISCREPANCIES

All general language or requirements embodied in the Specifications are intended to amplify, explain and implement the requirements of this Contract. However, in the event that any language or requirements so embodied in the Specifications permit an interpretation inconsistent with any provision of this Contract, then in each and every such event the applicable provisions of this Contract shall govern. The Specifications and plans are also intended to explain each other, and anything shown on the plans and not stipulated in the Specifications or stipulated in the Specifications and not shown on the plans, shall be deemed and considered as if embodied in both. In the event of conflict between the Specifications and plans, the Specifications shall govern.

However, with regard to such inconsistency or contradiction between this Contract and the Specifications as may later occur by any change or changes in the Specifications agreed upon by and among the parties hereto after execution of this Contract, then such change or changes shall govern.

3. ENTIRE AGREEMENT

This Contract sets forth the entire understanding of the Parties with respect to the subject matter discussed herein. It supersedes all prior discussions, negotiations and agreements, whether oral or written, expressed or implied.

ARTICLE XX CONFIDENTIALITY

The details of this Contract shall be kept private and confidential by each party unless required for the purpose of performing this Contract and/or any party is required to make disclosure pursuant to applicable laws, rules or regulations. It is acknowledged that the intermediate holding company of the BUYER, Jinhui Shipping and Transportation Limited ("Jinhui Shipping") and the parent company of Jinhui Shipping, Jinhui Holdings Company Limited ("Jinhui Holdings") will need to make public announcements pursuant to applicable rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively, provided that such public announcement shall be limited to the necessary scope and extent as required by applicable rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively.

This Contract is conditional upon approval by the general meeting of Jinhui Holdings for obtaining approval by shareholders of Jinhui Holdings.

In WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed on the day and year first above written.

THE BUYER: JINGANG MARINE INC.

By:

Name: Ng Siu Fai

Title: Director

THE SELLER:

SUMEC MARINE CO., LTD.

By:

Name: He Jun

Title: Chairman / Legal Representative

NEW DAYANG SHIPBUILDING CO., LTD.

By:

Name: Xu Bin

Title: General Manager / Legal Representative

EXHIBIT "A"

[SUBJECT TO FINAL AGREEMENT BETWEEN THE BUYER AND THE SELLER'S BANK]

Irrevocable Letter of Guarantee (Refund Guarantee)

TO: JINGANG MARINE INC.
Date: -----

Irrevocable Letter of Guarantee No.-----

1. At the request of SUMEC Marine Co., Ltd. and New Dayang Shipbuilding Co., Ltd. (hereinafter together called the "SELLER") and in consideration of your agreeing to pay the SELLER the first/second/third/fourth instalment before delivery of a ship under the Contract No. SUMEC26563 concluded by and amongst you and the SELLER dated ----- (hereinafter called the "Contract") for the construction of one (1) ----- to be designated as Hull No.NDY1379 (hereinafter called the "VESSEL"), we, [Bank Name---], do hereby irrevocably, absolutely and unconditionally guarantee as primary obligor and not merely as surety to repay to you an amount of up to but not exceeding a total amount of USD13,600,000- (Say United States Dollars Thirteen Million Six Hundred Thousand Only), representing the first, second, third and fourth instalments of the Contract Price of the VESSEL, as you may have paid to the SELLER under the Contract prior to the delivery of the VESSEL, if and when the same or any part thereof becomes repayable to you from the SELLER in accordance with the terms of the Contract.

2. Should the SELLER fail to make such repayment, we shall pay you the amount the SELLER ought to pay with no interest if cancellation of the Contract is exercised by you for the total loss of the VESSEL, or together with interest at the rate of [ ] percent ([ ]%) per annum if the cancellation of the Contract is exercised by you in accordance with the provisions of Paragraph 3 of Article VIII or by reason of the circumstances described in Article III 1(c), 2(c), 3(c) or 4(c) of the Contract, within ten (10) business days after our receipt of the relevant demand for repayment. Such demand ("an authenticated demand") may be made by you in writing by any one or more of the following means:

   2.1. by you through your bank and duly authenticated by your bank; or
   2.2. by your bank on your behalf through authenticated swift.

3. However, in the event of our receipt, before your demand or within ten (10) business days after such demand has been received by us, of a notice made by the SELLER that there is a dispute between you and the SELLER in relation to (i) whether the SELLER shall be liable to repay the instalment or instalments paid by you, and (ii) consequently whether you shall have the right to demand payment from us, then we shall be entitled to withhold and defer payment for a period not exceeding ten (10) business days after such notice of dispute and the following provisions will apply:

3.1. if such dispute is submitted for arbitration in accordance with Article XIII of the Contract within ten (10) business days' period after receipt of notice of dispute by us and the SELLER provides us with a copy of the SELLER's notice to you stating the name of the arbitrator appointed by the SELLER and the question or questions as to which the SELLER is demanding arbitration as required pursuant to Article XIII, Clause 1, of the Contract (a copy of such SELLER's notice will be forwarded promptly by us to you), we shall be entitled to withhold and defer payment until the final arbitration award is published. We shall not be obligated to make any payment to you unless such arbitration award orders the SELLER to make repayment. If the SELLER fails to honour the award, then we shall make payment to you to the extent the arbitration award orders but not exceeding the aggregate amount of this guarantee plus the interest described above within seven (7) business days after your submitting to us a further demand (being an authenticated demand, as aforesaid) in substitution for the demand previously submitted specifying

3.1.1. the final arbitration award has been published; and

3.1.2. the amount the SELLER is obliged to pay you pursuant to such award; and

3.1.3. that you have not received from the SELLER the amount payable by the SELLER to you in satisfaction of such award; and

3.1.4. accordingly, the amount demanded by you under this letter of guarantee.

3.2. If no such copy notice of arbitration is received by us within such ten (10) business days' period, we shall forthwith pay to you the amount specified in your demand.

4. The said payment shall be made by us in United States Dollars by telegraphic transfer to the account specified in the notice of demand.

5. Our liability under this letter of guarantee shall be reduced automatically in accordance with the repayment made by the SELLER or by ourselves.

6. This Letter of Guarantee shall become effective from the time of the actual receipt of the first instalment by the SELLER at its Account No. --- with us quoting the reference number of this Letter of Guarantee first above written, and the amounts effective under this Letter of Guarantee shall correspond to the total payment actually made by you from time to time being the first, second, third and/or fourth instalments under the Contract prior to the delivery of the VESSEL. However, the available amount under this Letter of Guarantee shall in no event exceed the abovementioned amount actually paid to the SELLER, with no interest or, as the case may be, together with interest calculated as described above at ----- percent (-----%) per annum, for the period commencing with the date of receipt by the SELLER of the instalment to the date of repayment thereof.

7. This Letter of Guarantee shall remain in force until the VESSEL has been delivered to and accepted by you as evidence by presentation to us one copy of the protocol of delivery and acceptance duly signed by you and the SELLER or full refund has been made by the SELLER or ourselves or until 12 March 2031, whichever occurs earlier. However, in the event that there exists arbitration between you and the SELLER for any such matter as described above, then the validity of this guarantee shall be

automatically extended until the date falling on the thirtieth (30th) calendar day after the final arbitration award is published.

8. All payments by us under this Letter of Guarantee shall be made without any set-off or counterclaim and without deduction or withholding for or on account of any taxes, duties, or charges whatsoever unless we are compelled by law to deduct or withhold the same. In the latter event we shall make the minimum deduction or withholding permitted and will pay such additional amounts as may be necessary in order that the net amount received by you after such deductions or withholdings shall equal the amount which would have been received had no such deduction or withholding been required to be made.

9. Neither our liability nor our obligations under this Letter of Guarantee shall be affected or discharged by any amendment, modification, supplement or variation of the Contract or any invalidity, irregularity or unenforceability or otherwise of the Contract or any time or indulgence granted to the SELLER under the terms of the Contract and/or any insolvency, administration, bankruptcy, liquidation, dissolution restructuring or reorganization (or analogous procedure) of the SELLER. However, notwithstanding the foregoing our liability under this Letter of Guarantee shall in no event be greater than the aforesaid guaranteed amount plus interest (as the case may be).

10. We agree that you may assign your rights the benefit of this refund guarantee to any commercial bank or other financial institutions providing financing facilities to you or your parent company. However, the right of making demand under this letter of guarantee for repayment shall remain with yourselves.

    In case of such assignment, you are obliged to send a notice of assignment in the form acceptable to us through an authenticated swift notification from your bank. The assignment shall not become effective without our acknowledgement through swift

11. We hereby confirm that we are permitted by the law of the People's Republic of China to issue guarantees with the wording of this Letter of Guarantee and especially to designate English law and London as place of arbitration/jurisdiction as provided in paragraph 14 below.

12. We hereby confirm that this Letter of Guarantee shall be duly filed with the relevant SAFE authority if such is required by applicable laws and regulations and further confirm that we have obtained all necessary approvals and authorizations to issue this Letter of Guarantee and that we are authorized to effect payment hereunder in United States Dollars.

13. All the banking charges outside of the People's Republic of China are for your account and all the banking charges inside the People's Republic of China are for the account of the SELLER.

14. This Letter of Guarantee is governed by the Laws of England. In the event of any dispute between the BUYER and the SELLER as to any matter arising out of or relating to this Letter of Guarantee or any stipulation herein or with respect thereto which cannot be settled by the BUYER and the SELLER themselves, such dispute shall be resolved by arbitration in London Maritime Arbitrators Association (LMAA) in

accordance with the Laws of England and the rules and terms of LMAA current at the time when the arbitration proceedings are commenced. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute. In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators shall apply to the President for the time being of LMAA to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators, as the case may be, shall be final, conclusive and binding upon the parties hereto. The arbitration will be conducted in London. The language of the arbitration shall be English. The law governing this arbitration provision shall be English law. The parties mutually agree to cooperate with each other so as to achieve the objective that the arbitration award can be rendered as expeditiously as possible. Notice of any award shall immediately be given in writing to the SELLER and the BUYER. The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear. Award of arbitration, shall be final and binding upon the parties concerned. The right for appeal available under the English laws is hereby expressly precluded and excluded by the parties hereto. Judgment on any award may be entered in any court of competent jurisdiction.

15. All demands and notices in connection with this Letter of Guarantee shall be sent to us at the following address:
    the SELLER's bank,
    (the address of the SELLER's bank),
    Nanjing, China

By: the SELLER's bank

EXHIBIT "B"

Performance Guarantee

To: SUMEC Marine Co., Ltd. and New Dayang Shipbuilding Co., Ltd. (hereinafter together called the "SELLER")
Date: xxxx, 2026

Dear Sirs,

Performance Guarantee

Re: Hull No.: NDY1379

In consideration of your execution of a Shipbuilding Contract No. SUMEC26563(the "Contract") dated June 8th, 2026 for the construction of one (1) 64,100 DWT BULK CARRIER (the "VESSEL"), we, JINHUI SHIPPING AND TRANSPORTATION LIMITED, hereby absolutely, unconditionally and irrevocably guarantee:

1) The due and punctual payment by the BUYER in accordance with the terms and provisions of the Contract of any and all sums which are now or at any time hereafter payable by the BUYER under of in respect of the Contract in accordance with terms and conditions thereof including (without limitation) all claims of monies due and to become due to you thereunder and all claims for damages in respect of any breach by the BUYER of the Contract (the "Contract Liabilities"); and

2) The due and punctual performance of all obligations of the BUYER under and in respect of the Contract other than the Contract Liabilities (the "Contract Obligations").

If the BUYER fails to make payment of any of the Contract Liabilities when and as the same shall become due and payable we hereby covenant that we will pay to you upon demand the amount equal to any sum or sums in respect of which the BUYER shall not have made payment, and will indemnify you against all losses, damages, costs or expenses suffered or incurred by you in consequence of the BUYER's failure to perform or comply with the Contract Obligations.

The guarantee contained in this letter will not be discharged or affected by:
1) Any granting of time or other indulgence or without limitation any modification, transfer, extension, renewal acceptance, forbearance or release in respect of any Contract Liabilities or Contract obligations;

2) Any corporate reorganization, reconstruction, amalgamation, dissolution, merger, acquisition of or by any other alteration in the corporate existence or structure of the BUYER; or

3) Any other act or omission to act of any kind by you or any other person or any other circumstance whatsoever which might constitute a legal or equitable discharge of us.

It being our intention that the guarantee set out herein shall be irrevocable, absolute and unconditional in any and all circumstances.

The guarantee herein contained shall remain in full force and effect until final performance in full of all Contract Liabilities and performance in full of all Contract obligations whatsoever in accordance with the terms and provisions of the Contract notwithstanding the insolvency or liquidation of the BUYER or any other event whatsoever.

We hereby irrevocably waive acceptance of this guarantee, diligence, presentment, discussion, demand, protest and notice of any kind whatsoever and confirmation that this guarantee may be enforced by you as often as the need may arise.

We hereby also irrevocably waive our right of being informed by either the BUYER or the SELLER of any modification or amendment on specifications and/or drawing or on any alteration or modification on any terms and conditions of this Contract, and such modification or amendment or alteration, if there is any, as if we, as the guarantor, had been informed.

Until the whole of the Contract Liabilities shall have been paid in full and the Contract Obligations fully performed, we shall not by paying off any sum recoverable hereunder or under the Contract or by any other means or on any other grounds claim any set-off or counterclaim against the BUYER in respect of any liability to the BUYER or be entitled to the benefit of any other security which you may now or hereafter hold for any part of the Contract Liabilities or the Contract Obligations nor shall we have any other right of surety discharging its liability, and we will not without your prior written consent prove the insolvency, winding-up or liquidation of the BUYER in competition with you.

Any certificate by you of the amount due from the BUYER in respect of the Contract Liabilities shall in the absence of manifest error be conclusive and binding upon us.

We shall not be entitled to any rights of remedies, legal or equitable, of a surety as regard any of the indebtedness, obligations or liabilities of ourselves under or pursuant to this Guarantee.

We confirm that all necessary Governmental consents, permits and approvals applicable to this guarantee, if any have been granted.

You shall have the right to assign the benefit of this Letter of Guarantee to your financiers for the purpose of securing the SELLER's financing.

In the event that the BUYER with the SELLER's consent declares by written notice that it will exercise its right under Article XIV, Paragraph 2 of the Contract to assign, transfer or novate the Contract to or with a third party, the BUYER shall have the liberty at its option to procure that the third party arranges for a performance guarantee in respect of the BUYER's obligations under the Contract to be issued in the same terms as Exhibit "B" thereto by a guarantor whose identity is acceptable to you.

This guarantee shall be in addition to and not in substitution for any other rights which you may have under or by virtue of the Contract or any collateral or security securing the BUYER's indebtedness and by be enforced without requiring you first having recourse to any such rights and without requiring you to take any steps or proceedings against the BUYER.

We as Guarantor shall be entitled under this guarantee to all rights and obligations of the BUYER under the shipbuilding contract.

This guarantee shall be governed by the laws of England. In the event of any dispute between the BUYER and the SELLER as to any matter arising out of or relating to this Letter of Guarantee or any stipulation herein or with respect thereto which cannot be settled by the BUYER and the SELLER themselves, such dispute shall be resolved by arbitration in London Maritime Arbitrators Association (LMAA) in accordance with the Laws of England and the rules and terms of LMAA current at the time when the arbitration proceedings are commenced. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute. In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators shall apply to the President for the time being of LMAA to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators, as the case may be, shall be final, conclusive and binding upon the parties hereto. The arbitration will be conducted in London. The language of the arbitration shall be English. The law governing this arbitration provision shall be English law. The parties mutually agree to cooperate with each other so as to achieve the objective that the arbitration award can be rendered as expeditiously as possible. Notice of any award shall immediately be given in writing to the SELLER and the BUYER. The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear. Award of arbitration, shall be final and binding upon the parties concerned. The right for appeal available under the English laws is hereby expressly precluded and excluded by the parties hereto. Judgment on any award may be entered in any court of competent jurisdiction.

Yours faithfully,

For and on behalf of
JINHUI SHIPPING AND TRANSPORTATION LIMITED

By: ______________
Name:
Title:

SHIPBUILDING CONTRACT NO. SUMEC26564

FOR

CONSTRUCTION OF ONE 64,100 DWT BULK CARRIER

(HULL NO. NDY1380)

BETWEEN

JINJI MARINE INC.

as the BUYER

and

SUMEC Marine Co., Ltd.
New Dayang Shipbuilding Co., Ltd.

Collectively as the SELLER

DATE: June 8th, 2026

CONTENT

SHIPBUILDING CONTRACT NO.SUMEC26564

FOR

CONSTRUCTION OF ONE 64,100DWT BULK CARRIER

(HULL NO. NDY1380)

PREAMBLE

This Contract, entered into this day of June 8th, 2026 by and between JINJI MARINE INC., a corporation organized and existing under the Laws of Panama, having its registered office at Banco General Tower, 19/F, Aquilino de la Guardia Street, Marbella, Panama City, Republic of Panama (hereinafter called the "BUYER") on one part; and SUMEC Marine Co., Ltd. (hereinafter called the "SUMEC") a corporation organised and existing under the Laws of the People's Republic of China, having its registered office at 198# Changjiang Road, Nanjing City, Jiangsu Province, the People's Republic of China together with New Dayang Shipbuilding Co., Ltd, (hereinafter called "Dayang") a corporation organised and existing under the Laws of the People's Republic of China, having its registered office at 8# Yongda Road, Lidian Town, Guangling District, Yangzhou City, Jiangsu Province, the People's Republic of China (SUMEC and Dayang hereinafter collectively called the "SELLER") on the other part.

WITNESSETH

In consideration of the mutual covenants contained herein, the SELLER agrees to build, launch and equip, at the Dayang, as well as complete, sell and deliver at the Dayang's berth to the BUYER after completion and successful trial one (1) 64,100 DWT Bulk Carrier as more fully described in Article I hereof, to be registered under the flag of Hong Kong, and the BUYER agrees to purchase and take delivery of the aforesaid vessel from the SELLER and to pay for the same in accordance with the terms and conditions hereinafter set forth.

The Parties further acknowledge and agree that:

(i) The SUMEC and Dayang shall be jointly and severally liable for SELLER's duties, responsibilities and liabilities stipulated in this Contract.

(ii) Upon effectiveness of this Contract and during the whole construction period prior to the delivery as stipulated in Article VII, the VESSEL as it is constructed and every part thereof and all equipment, components, blocks and materials intended for the VESSEL (excluding BUYER's Supplies) as soon as they are appropriated to the VESSEL, whether in the Dayang, on the way to Dayang, workshop or elsewhere, shall become the absolute property of the SUMEC forthwith and continuously.

(iii) Any formal notice served by the BUYER to the SELLER pursuant to this Contract shall be addressed to both SUMEC and Dayang as per Article XVII.

DEFINITION

Unless the context of this Contract stipulates otherwise, the following words in this Contract shall have the meaning set out hereinbelow:

"banking days"	days (other than Saturday and Sunday) on which commercial banks are open for business in China (Mainland and Hong Kong), and New York;
"business day"	a day when work is normally performed in China (Mainland and Hong Kong);
"BUYER"	the company referred to as "BUYER" in the Preamble inclusive of its assignees and transferees;
"BUYER's Supplies"	any item, equipment, stores or service, which shall be supplied and/or paid for by the BUYER in accordance with the express terms of this Contract;
"Classification Society" or "Class"	the classification society referred to in Article I Paragraph 2;
"Construction"	the designing, building, testing, commissioning, launching and equipping of the VESSEL, unless the context otherwise requires;
"Contract"	this shipbuilding contract with its exhibits and appendices, any amendments thereto and including the Specifications and Drawings;
"Contract Delivery Date"	the date set out in Article VII Paragraph 1;

"Contract Price"	the Original Contract Price, as adjusted in accordance with the terms of this Contract;
"Date of Contract"	the date specified in the Preamble;
"day" or "days"	mean "calendar day" or "calendar days";
"deadweight"	has the meaning set out in the Specifications;
"delivery"	the actual delivery of the VESSEL from the SELLER to the BUYER;
"drawings"	the plans and drawings listed in the Specifications and any amendment thereto;
"effective date"	the date determined in accordance with the provisions set out in Article XVIII;
"flag state"	the state referred to in WITNESSETH, to which the VESSEL to be registered;
"force majeure"	any of the events set out in and subject to Article VIII;
"force majeure delay"	a delay caused by Force Majeure, which according to Article VIII constitutes Permissible Delay;
"guarantee period"	a period of 12 months from the delivery of the VESSEL as set out in Article IX;
"Makers List"	an agreed list of suppliers approved for delivery of equipment, machinery or services which shall be included in the Specifications;
"Original Contract Price"	the price stipulated in Article II;

"permissible delay"	all delays, as described in Article VIII to the extent they cause unavoidable and unforeseeable delay in delivery of the VESSEL and, according to the terms of the Contract, will permit an adjustment of the Contract Delivery Date without paying liquidated damages;
"regulatory bodies"	the relevant authorities imposing rules and regulations with which the construction and delivery of the VESSEL must comply, which shall include the authorities of the flag state together with other authorities set out in the Specifications, as the case may be;
"SELLER"	the companies referred to as "SELLER" in the Preamble;
"Specifications"	the specifications referred to in Article I Paragraph 1 and any amendment thereto;
"subcontractor"	any person (not being a servant or employee of the SELLER) or company, with whom or with which the SELLER has entered into a contract for the design, construction, manufacture or supply of any item, equipment, work or service for the VESSEL;
"VESSEL"	the vessel described in Article I.

ARTICLE I DESCRIPTION AND CLASS

1. DESCRIPTION

The VESSEL is a 64,100 metric tons deadweight Bulk Carrier at draft of 13.50 meters (hereinafter called the "VESSEL") of the class described below. The VESSEL shall have the SELLER's Hull No. NDY1380 and shall be constructed, equipped and completed in accordance with:

(1) Specification (Drawing No.NDY-B63B0-010-01 Nov.2025), and
(2) General Arrangement Plan (Drawing No.NDY-B63C0-010-02), and
(3) Midship Section Plan (Drawing No.NDY-B63B0-011-01), and
(4) Makers List (Drawing No.NDY-B63B0-010-03), and
(5) NEW DAYANG SPEC COMMENT dated on June 5th, 2026

attached hereto and signed by each of the parties to this Contract (hereinafter called the "Specifications"), making an integral part hereof.

2. CLASS AND RULES

The VESSEL, including its machinery and equipment, shall be constructed in accordance with the rules and regulations of American Bureau of Shipping (ABS) (hereinafter called the "Classification Society") and shall be distinguished in the record by the symbol of

ABS +A1, (E), Bulk Carrier, CSR, AB-CM, BC-A(holds 2, 4 may be empty), GRAB[20], CPS, ESP, UWILD, +AMS, +ACCU, BWT, NOx-Tier III, TCM, IHM, RW, CR

or, at the SELLER'S option, with the equivalent class notation, and shall also comply with the rules and regulations as fully described in the Specifications.

The requirements of other regulatory bodies and the authorities as fully described in the Specifications including that of the Classification Society are to include additional rules or circulars thereof issued, effective and compulsorily applicable to the VESSEL up to or on the date of signing this Contract.

The SELLER shall arrange with the Classification Society to assign a representative or representatives (hereinafter called the "Classification Surveyor") to the Dayang for supervision of the construction of the VESSEL.

All fees and charges incidental to classification and compliance with the rules, regulations and requirements of this Contract as described in the Specifications issued, effective and compulsorily applicable to the VESSEL up to the date of signing this Contract as well as royalties, if any, payable on account of the construction of the VESSEL shall be for the account of the SELLER, except as otherwise provided and agreed herein. The key plans, materials and workmanship entering into the construction of the VESSEL shall at all times be subject to inspections and tests in accordance with the rules and regulations of the Classification Society.

Decisions of the Classification Society as to compliance or non-compliance with Classification rules and regulations shall be final and binding upon the parties hereto.

3. PRINCIPAL PARTICULARS AND DIMENSIONS OF THE VESSEL

(a) Hull

Length overall	max	199.99m
Length between perpendiculars	abt	196.50m
Breadth moulded	max	32.26m
Depth moulded	abt	18.80m
Design Draft moulded	abt	12.00m
Scantling Draft moulded	max	13.50m

(b) Propelling Machinery

The VESSEL shall be propelled by a marine diesel engine of two-stroke, in accordance with the Specifications, equipped with MAN 6S50ME-C9.7-HPSCR with EGB+EEC type Main Engine, with Maximum Continuous Rating (MCR) of 6900kW.

4. GUARANTEED SPEED

The SELLER guarantees that the service speed of the VESSEL, after correction, is to be not less than 13.5 nautical miles per hour on the conditions stipulated in the Specifications (hereinafter called the "Guaranteed Speed").

The service speed shall be corrected for wind speed and shallow water effect. The correction method of the speed shall be as specified in the Specifications. The attained EEDI of the VESSEL meets the requirement of Phase 3.

5. GUARANTEED FUEL CONSUMPTION

The SELLER guarantees that the fuel oil consumption of the Main Engine is not to exceed 171.4grams/kW/hr at normal continuous output at shop trial based on diesel fuel oil having a lower calorific value of 10,200 kilocalories per kilogram and ISO 3046/1 reference condition (hereinafter called the "Guaranteed Fuel Consumption").

6. GUARANTEED DEADWEIGHT

The SELLER guarantees that the VESSEL is to have a deadweight of not less than 64,100 metric tons at the scantling loaded draft moulded of 13.5 meters in sea water of 1.025 specific gravity (hereinafter called the "Guaranteed Deadweight").

The actual deadweight of the VESSEL expressed in metric tons shall be based on deadweight measurement report made by the SELLER and checked by the BUYER, and all measurements necessary for such calculations shall be performed in the presence of the BUYER's supervisor(s) or the party authorized by the BUYER.

Should there be any dispute between the SELLER and the BUYER in such calculations and/or measurements, the decision of the Classification Society shall be final.

7. SUBCONTRACTING

The SELLER may, at its sole discretion and responsibility, subcontract any portion of the construction work of the VESSEL to experienced subcontractors, but delivery and final assembly into the VESSEL of any such work subcontracted shall be at the Dayang. The SELLER shall remain responsible for such subcontracted work.

8. REGISTRATION

The VESSEL shall be registered by the BUYER at its own cost and expense under the laws of Hong Kong at the time of delivery and acceptance thereof.

ARTICLE II CONTRACT PRICE & TERMS OF PAYMENT

1. CONTRACT PRICE

The Contract Price of the VESSEL is United States Dollars Thirty-Four Million only (USD34,000,000.00) (hereinafter referred to as the "Original Contract Price"), which included the extra cost USD110,000.00 of NEW DAYANG SPEC COMMENT listed in Article I and is exclusive of the cost for the BUYER's Supplies as provided in Article V hereof, and shall be subject to upward or downward adjustment, if any, as hereinafter set forth in this Contract. Bank's charges for transfer of funds to the SELLER in respect of payments under this Article II shall be for the account of the BUYER.

2. CURRENCY

Any and all payments by the BUYER to the SELLER under this Contract shall be made in United States Dollars.

3. TERMS OF PAYMENT

The Contract Price shall be paid by the BUYER to the SELLER in five instalments as follows:

(a) 1st Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable on this Contract becoming effective. Payment shall be made by the BUYER within five (5) banking days after:

- transmission by SWIFT to the BUYER's bank of the Refund Guarantee for the 1st, 2nd, 3rd and 4th instalments in the form annexed hereto as Exhibit "A" issued by the SELLER's bank and the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 1st instalment.

(b) 2nd Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable after the commencement of steel cutting of the VESSEL. Payment shall be made by the BUYER within five (5) banking days after:

- the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 2nd instalment and of the certificate of the Classification Society attesting the commencement of steel cutting of the VESSEL;

(c) 3rd Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable after the keel laying of the VESSEL in the Dayang. Payment shall be made by the BUYER within five (5) banking days after:

- the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 3rd instalment and of the certificate of the Classification Society attesting the keel laying of the VESSEL;

(d) 4th Instalment:

The sum of United States Dollars Three Million Four Hundred Thousand only (USD3,400,000.00), representing ten percent (10%) of the Contract Price, shall become due and payable after the launching of the VESSEL. Payment shall be made by the BUYER within five (5) banking days after:

- the receipt by the BUYER of the scanned copies of the invoice issued by the SELLER via email for the amount of the 4th instalment and of the certificate of the Classification Society attesting the launching of the VESSEL;

(e) 5th Instalment (Payment upon delivery of the VESSEL):

The sum of United States Dollars Twenty Million Four Hundred Thousand only (USD20,400,000.00), representing sixty percent (60%) of the Contract Price, plus any increase or minus any decrease due to modifications and/or, adjustments of the Contract Price in accordance with the provisions of the relevant articles hereof, shall become due and payable and be paid by the BUYER to the SELLER concurrently with the execution of the Protocol of Delivery and Acceptance of the VESSEL as provided in Article VII(3) below. The SELLER shall send to the BUYER an email demand for this instalment seven (7) days prior to the scheduled date of delivery of the VESSEL.

4. METHOD OF PAYMENT

(a) 1st Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(a) by telegraphic transfer to the SELLER's bank (to be nominated by the SELLER and acceptable by the BUYER within ten days after the execution of this

Contract), for credit to the account of the SELLER with instructions of "Payment of 1st instalment of Hull No.NDY1380 to SUMEC Marine Co., Ltd.".

(b) 2nd Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(b) by telegraphic transfer to the SELLER's bank, for credit to the account of the SELLER as stipulated in the above Paragraph 4(a) with instructions of "Payment of 2nd instalment of Hull No.NDY1380 to SUMEC Marine Co., Ltd. ".

(c) 3rd Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(c) by telegraphic transfer to the SELLER's bank, for credit to the account of the SELLER as stipulated in the above Paragraph 4(a) with instructions of "Payment for 3rd instalment of Hull No.NDY1380 to SUMEC Marine Co., Ltd. ".

(d) 4th Instalment:

The BUYER shall remit the amount of this instalment in accordance with Article II, Paragraph 3(d) by telegraphic transfer to the SELLER's bank, for credit to the account of the SELLER as stipulated in the above Paragraph 4(a) with instructions of "Payment of 4th instalment of Hull No.NDY1380 to SUMEC Marine Co., Ltd. ".

(e) 5th Instalment (Payable upon Delivery of the VESSEL):

The BUYER shall, at least three (3) banking days prior to the scheduled date of delivery of the VESSEL, as notified by the SELLER, make an irrevocable cash deposit in the name of BUYER with the SELLER's bank, for a period of thirty (30) days and covering the amount of this instalment (as adjusted in accordance with the provisions of this Contract), with an irrevocable instruction that the said amount shall be released to the SELLER against presentation by the SELLER to the said SELLER's bank, of one original of the Protocol of Delivery and Acceptance signed by the BUYER's authorized representative and the SELLER's authorized representative. Interest, if any, accrued from such deposit, shall be for the benefit of the BUYER.

The title to and risk on the VESSEL shall not be transferred to the BUYER until this instalment has been received by the SELLER at its account with the SELLER's bank.

If the delivery of the VESSEL is not effected on or before the expiry of the aforesaid 30 days deposit period, the BUYER shall have the right to withdraw the said deposit plus accrued interest upon the expiry date. However, when the new scheduled delivery date has been agreed and notified to the BUYER by the SELLER, the BUYER shall make a cash deposit again in accordance with the same terms and conditions as set out above.

5. PREPAYMENT

The BUYER shall have the right to make prepayment of any and all instalments before delivery of the VESSEL, by giving to the SELLER at least thirty (30) days prior written notice, without any price adjustment of the VESSEL for such prepayment.

6. SECURITY FOR PAYMENT OF INSTALMENTS BEFORE DELIVERY

The BUYER shall, upon signing of this Contract deliver to the SELLER an irrevocable and unconditional Performance Guarantee in the form annexed hereto as Exhibit "B" in favour of the SELLER issued by Jinhui Shipping and Transportation Limited (hereinafter called the "Guarantor"). This Performance Guarantee shall guarantee the BUYER's obligation for payment of the Contract Price and due performance of all the BUYER's obligations under this Contract.

7. REFUNDS

All instalments made by the BUYER to the SELLER prior to the Delivery of the VESSEL, in the event this Contract is rescinded or cancelled by the BUYER in accordance with the specific terms of this Contract permitting such rescission or cancellation, shall be refunded by the SELLER to the BUYER in United States Dollars in the full amount of all sums the SELLER has received under this Contract, together with interest (at the rate set out in respective provision hereof) from the respective payment date(s) to the date of remittance by telegraphic transfer of such refund to the account specified by the BUYER.

As security to the BUYER, the SELLER shall deliver to the BUYER, prior to the payment by the BUYER of the 1st instalment, a Refund Guarantee to be issued by the SELLER's bank acceptable by the BUYER for the 1st, 2nd, 3rd, and 4th instalments (hereinafter called "SELLER's bank") acceptable to the BUYER and the BUYER's bank and substantially in the form as per Exhibit "A" annexed hereto.

However, in the event of any dispute between the SELLER and the BUYER with regard to the SELLER's obligation to repay the instalment or instalments paid by the BUYER and to the BUYER's right to demand payment from the SELLER's bank under its Refund Guarantee, and such dispute is submitted by the SELLER or by the BUYER for arbitration in accordance with Article XIII hereof, the SELLER and SELLER's bank shall withhold and defer payment until the arbitration award between the SELLER and the BUYER is published. The SELLER's bank shall not be obligated to make any payment unless the arbitration award orders the SELLER to make repayment. If the SELLER fails to honour the award, then the SELLER or SELLER's bank shall refund to the extent the arbitration award orders.

The SELLER undertakes that, in the event that any refund guarantee(s) issued pursuant to the terms of this Contract involves foreign exchange obligations, such refund guarantee(s) shall be duly registered with the State Administration of Foreign Exchange ("SAFE") and shall otherwise comply with all applicable laws and regulations of the People's Republic of China ("PRC"). The SELLER further undertakes to ensure and shall procure that the refund guarantor bank duly completes and obtains as appropriate all necessary documentation, approvals, and filings promptly and in any event within 60 days after the date of issuance of the relevant refund guarantee(s), and produces written evidence of such completion within the same 60-day period, and the SELLER further undertakes to bear any and all costs, expenses, damages or liabilities incurred or suffered by the BUYER arising out of or in connection with any failure of the SELLER to comply with SAFE requirements and any other applicable laws and regulations of the PRC.

ARTICLE III ADJUSTMENT OF THE CONTRACT PRICE

The Original Contract Price of the VESSEL shall be subject to adjustments as hereinafter set forth. It is hereby understood by both parties that the reduction of the Contract Price as stipulated hereunder is by way of liquidated damages and not by way of penalty.

1. DELIVERY

(a) No adjustment shall be made, and the Contract Price shall remain unchanged for the first thirty (30) days of delay in delivery of the VESSEL beyond the Contract Delivery Date as defined in Article VII hereof ending as of twelve o'clock midnight of the thirtieth (30th) day of delay.

(b) If the delivery of the VESSEL is delayed more than thirty (30) days after the Contract Delivery Date as defined in Article VII hereof, then, in such event, beginning at twelve o'clock midnight of the aforesaid thirtieth day, the Contract Price of the VESSEL shall be reduced by deducting therefrom the sum of United States Dollars Six Thousand only (USD6,000) per day.

Unless the parties hereto agree otherwise, the total reduction in the Contract Price shall be deducted from the fifth instalment of the Contract Price and in any event (including the event that the BUYER consents to take the VESSEL at the later delivery date after the expiration of two hundred and forty (240) days delay in delivery as described in Paragraph 1(c) of this Article) shall not be more than the maximum amount of United States Dollars One Million Two Hundred Sixty Thousand only (USD1,260,000.00) corresponding two hundred and ten (210) days at the above specified rate of reduction after the aforesaid thirty (30) days allowance.

(c) If the delay in the delivery of the VESSEL continues for a period of two hundred and forty (240) days (being the total of non-permissible delays and permissible delays) after the Contract Delivery Date as defined in Article VII, then in such event, the BUYER may, at its option, rescind or cancel this Contract in accordance with the provisions of Article X of this Contract by written notice to the SELLER at any time after the expiration of the said two hundred and forty (240) days period or the SELLER may at any time after the expiration of the aforementioned two hundred and forty (240) days, notify the BUYER of the date upon which the SELLER estimates the VESSEL will be ready for delivery and demand in writing that the BUYER make an election, in which case the BUYER shall, within fifteen (15) days after such demand is received by the BUYER, either notify the SELLER of its decision to cancel this Contract, or consent to take delivery of the VESSEL at an agreed future date ("Future Delivery Date"). Failure of the BUYER to give its confirmation on acceptance or objection to the Future Delivery Date within the said fifteen (15) days period shall be deemed as giving its acceptance of the Future Delivery Date. It is understood and agreed by the parties hereto that, if the VESSEL is not delivered by such Future Delivery Date, the BUYER shall have the same right of cancellation upon the same terms, as herein above provided.

(d) For the purpose of this Article, the delivery of the VESSEL shall not be deemed delayed and the Original Contract Price shall not be reduced when and if the Contract Delivery Date of the VESSEL is extended by reason of causes and provisions of Articles V, XI and XII hereof. The Contract Price shall not be adjusted or reduced if the delivery of the VESSEL is delayed by reason of permissible delays as defined in Article VIII hereof.

2. INSUFFICIENT SPEED

(a) The Contract Price of the VESSEL shall not be affected nor changed by reason of the actual speed (as determined by the Trial Run after correction according to the Specifications) being less than three tenths (3/10) of one knot below the Guaranteed Speed as specified in Paragraph 4 of Article I of this Contract.

(b) However, commencing with and including a deficiency of three tenths (3/10) of one knot in actual speed (as determined by the Trial Run after correction according to the Specifications) below the Guaranteed Speed as specified in Paragraph 4, Article I of this Contract, the Contract Price shall be reduced as follows:

In case of deficiency

at or above 0.30 but below 0.40 knot	USD70,000.00; or
at or above 0.40 but below 0.50 knot	USD140,000.00; or
at or above 0.50 but below 0.60 knot	USD210,000.00; or
at or above 0.60 but below 0.70 knot	USD280,000.00; or
at or above 0.70 but below 0.80 knot	USD350,000.00; or
at or above 0.80 but below 0.90 knot	USD420,000.00; or
at or above 0.90 but below 1.00 knot	USD490,000.00.

(c) If the deficiency in actual speed (as determined by the Trial Run after correction according to the Specifications) of the VESSEL upon the Trial Run, is more than 1.00 knot below the Guaranteed Speed, and should the SELLER fail to remedy this deficiency prior to delivery, then the BUYER may at its option reject the VESSEL and rescind this Contract in accordance with provisions of Article X of this Contract, or may accept the VESSEL at a reduction in the Contract Price in the maximum amount of United States Dollars Four Hundred Ninety Thousand only (USD490,000).

3. FUEL CONSUMPTION

(a) The Contract Price of the VESSEL shall not be affected nor changed if the actual fuel consumption of the Main Engine, as determined by shop trial in manufacturer's works, as per the Specifications, is greater than the Guaranteed Fuel Consumption as specified in Paragraph 5 of Article I of this Contract and if such actual excess is equal to or less than Five percent (5%).

(b) However, if the actual fuel consumption as determined by shop trial is greater than Five percent (5%) above the Guaranteed Fuel Consumption then, the Contract Price shall be reduced by the sum of United States Dollars Seventy Thousand only (USD70,000) for each full one percent (1%) increase in fuel consumption in excess of the above said Five percent (5%) (fractions of one percent to be prorated).

(c) If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the Guaranteed Fuel Consumption, i.e. the fuel consumption exceeds 188.5 grams/kW/hr, the BUYER may, subject to the SELLER'S right to effect alterations of corrections as specified in the following sub-paragraph of Article III 3 (d) hereof at its option, rescind or cancel this Contract, in accordance with the provisions of Article X of this Contract or may accept the VESSEL at a reduction in the Contract Price by United States Dollars Three Hundred and Fifty Thousand (USD 350,000) being the maximum.

(d) If as determined by shop trial such actual fuel consumption of the Main Engine is more than ten percent (10%) in excess of the Guaranteed Fuel Consumption, i.e. the fuel consumption exceeds 188.5 gram/kW/Hour, the SELLER may investigate the cause of the non-conformity and the proper steps may promptly be taken to remedy the same and to make whatever corrections and alterations and / or re-shop trial test or tests as may be necessary to correct such non-conformity without extra cost to the BUYER. Upon completion of such alterations or corrections of such non-conformity, the SELLER shall promptly perform such further shop trials or any other tests, as may be deemed necessary to prove the fuel consumption of the Main Engine's conformity with the requirement of this Contract and the Specifications and if found to be satisfactory, give the BUYER notice by email of such correction and as appropriate, successful completion accompanied by copies of such results, and the BUYER shall, within six (6) business days after receipt of such notice, notify the SELLER by email of its acceptance or reject the re-shop trial together with the reasons therefor. If the BUYER fails to notify the SELLER by email of its acceptance or rejection of the re-shop trial together with the reasons therefor within six (6) business days period as provided herein, the BUYER shall be deemed to have accepted the shop trial.

4. DEADWEIGHT

(a) In the event that there is a deficiency in the actual deadweight of the VESSEL determined as provided in the Specifications, the Contract Price shall not be decreased, if such deficiency is Six Hundred (600) metric tons or less below the Guaranteed Deadweight as specified in Paragraph 6 of Article I of this Contract.

(b) However, the Contract Price shall be reduced by the sum of United States Dollars United States Dollars Six Hundred (USD600.00) for each full metric ton of such deficiency in excess of the aforesaid Six hundred (600) metric tons.

(c) In the event that there is a deficiency in the actual deadweight of the VESSEL which exceeds One Thousand Two Hundred (1,200) metric tons below the Guaranteed Deadweight, and should the SELLER fail to remedy this deficiency prior to delivery, the BUYER may, at its option, reject the VESSEL and rescind this Contract in accordance with the provisions of Article X of this Contract, or may accept the VESSEL with reduction in the Contract Price in the maximum amount of United States Dollars Three Hundred and Sixty Thousand (USD360,000).

5. EFFECT OF RESCISSION

It is expressly understood and agreed by the parties hereto that in any case as stated herein, if the BUYER rescinds this Contract pursuant to any provision under this Article, the BUYER, save its rights and remedy set out in Article X hereof, shall not be entitled to any liquidated damage or any other compensation whether described above or otherwise.

ARTICLE IV SUPERVISION AND INSPECTION

1. APPOINTMENT OF THE BUYER'S SUPERVISOR

The BUYER shall send in good time to and maintain at the Dayang, at the BUYER's own cost and expense, one or more representative(s) who shall be duly accredited in writing by the BUYER (such representative(s) being hereinafter collectively and individually called the "Supervisor") to supervise and survey the construction of the VESSEL, her engines and accessories, attendance at the tests and inspections relating to the VESSEL its machinery, equipment and outfitting, and any other matter in respect of which he is specifically authorized to act on BUYER's behalf.

2. APPROVAL OF PLANS AND DRAWINGS

The parties hereto shall, within thirty (30) days after signing of this Contract, mutually agree a list of the plans and drawings to be approved by the BUYER, which are to be sent to the BUYER for approval (hereinbelow referred to as the "Drawings List"). Before arrival of the Supervisor at the Dayang, the plans and drawings specified in the Drawings List shall be sent to the BUYER, and the BUYER shall, within fourteen (14) days after receipt thereof, return such plans and drawings submitted by the SELLER with approval or remarks, if any.

Before the arrival of the Supervisor at the Dayang, the BUYER shall notify the SELLER in writing, stating the authority which the said Supervisor shall have, with regard to what the Supervisor can, on behalf of the BUYER, approve or disapprove, as the case may be, in respect of those plans and drawings specified in the Drawings List which have not yet been sent to the BUYER, nevertheless in line with the Supervisor's authority. The Supervisor shall, within seven (7) days after receipt thereof, return those plans and drawings with approval or remarks, if any.

Unless notification is given to the SELLER by the Supervisor or the BUYER of approval or disapproval of any plans and drawings within the above designated period of time for each case, the said plans and drawings shall be deemed to have been automatically approved by the BUYER.

The plans and drawings approved by the BUYER or Supervisor shall be final, and any alteration thereof shall be regarded as modification as referred to in Article V of this Contract.

3. SUPERVISION AND INSPECTION BY THE SUPERVISOR

The necessary inspection of the VESSEL, her machinery, equipment and outfittings shall be carried out by the Classification Society, and/or inspection team of the SELLER throughout the entire period of construction in order to ensure that the construction of the VESSEL is duly performed in accordance with this Contract and the Specifications.

The Supervisor shall have, at all times until delivery of the VESSEL, the right to attend tests according to the mutually agreed tests list before commencement of tests (herein referred to as the "Tests List") and inspect the VESSEL, her engines, accessories and materials at the Dayang, its subcontractors or any other place where work is done or materials stored in connection with the VESSEL. And in any event a notice at least seven (7) days in advance must be given for the tests of main engine and the auxiliary engines.

In the event that the Supervisor discovers any construction or material or workmanship which does not or will not conform to the requirements of this Contract and the Specifications, the Supervisor shall promptly give the SELLER a notice in writing as to such nonconformity, upon receipt of which the SELLER shall correct such nonconformity if the SELLER agrees with the BUYER. In any event, the SELLER shall be entitled to proceed with the construction of the VESSEL, though a disagreement may exist between both parties, without prejudice to the BUYER's right to submit the dispute to the Classification Society for determination or, if necessary for arbitration pursuant to Article XIII hereof.

The BUYER undertakes and assures the SELLER that the Supervisor shall carry out his inspections in accordance with the agreed inspection procedure and schedule and usual shipbuilding practice and in such a way as to minimize any increase in building costs and delays in the construction of the VESSEL.

Once an inspection and/or test has been witnessed and approved by the BUYER or the Supervisor, the same inspection and/or test should not have to be repeated, provided it has been carried out in compliance with the requirements of the Classification Society and Specifications.

The SELLER agrees to furnish free of charge the Supervisor with office space, and other reasonable facilities according to SELLER's practice including bookshelves, chairs, desks and filing cabinets, and access to telephone and photocopying machines, at or in the immediate vicinity of the Dayang. Telephone charges shall be for the BUYER's account.

At all times, during the construction of the VESSEL until delivery thereof, the Supervisor shall be given access to the VESSEL, her engines and accessories, and to any other place where the work is being done, or the materials are being processed or stored, in connection with the construction of the VESSEL, including the yards, workshops, stores of the SELLER, and the premises of subcontractors of the SELLER, who are doing work, or storing materials in connection with the VESSEL's construction.

The BUYER undertakes to maintain sufficient number of the Supervisors at the Dayang throughout the period of construction of the VESSEL so as to meet the Dayang's requirements for inspection, survey and attending tests and/or trials.

Should the Supervisor fail to conduct any inspection or attend any test (after notice by the Dayang of the same) due to whatever reason, the SELLER shall be entitled to carry out the construction and/or test without inspection and/or attendance of the Supervisor and such work so carried out shall be treated as approved by the BUYER.

The decision, approval or advice of the Supervisor shall be deemed to have been given by the BUYER and once given shall not be withdrawn, revoked or modified except with consent of the SELLER. However, if the Supervisor fails to submit to the SELLER without delay any such demand concerning alterations with respect to the building, arrangement or outfit of the VESSEL, her engines or accessories, or any other items or matters in connection herewith, which the Supervisor has examined or inspected or attended at the tests thereof under this Contract or the Specifications, the Supervisor shall be deemed to have approved the same and shall be precluded from making any demand for alterations or other complaints with respect thereto at a later date.

4. LIABILITY OF THE SELLER

The Supervisor engaged by the BUYER under this Contract shall at all times be deemed to be in the employ of the BUYER. The SELLER shall be under no liability whatsoever to the BUYER, or to the Supervisor or the BUYER's employees or agents for personal injuries, including death, during the time when they, or any of them, are on the VESSEL, or within the premises of either the SELLER or its subcontractors, or are otherwise engaged in and about the construction of the VESSEL, unless, however, such personal injuries, including death, were caused by gross negligence of the SELLER, or of any of the SELLER's employees or agents or subcontractors of the SELLER. Nor shall the SELLER be under any liability whatsoever to the BUYER for damage to, or loss or destruction of property in China of the BUYER or of the Supervisor, or of the BUYER's employees or agents, unless such damage, loss or destruction was caused by gross negligence of the SELLER, or of any of the employees, or agents or subcontractors of the SELLER.

5. SALARIES AND EXPENSES

All salaries and expenses of the Supervisor, or any other employees employed by the BUYER under this Article, shall be for the BUYER's account.

6. REPORT OF PROGRESS

The BUYER is entitled to require the SELLER to report on condition of progress as to the construction of the VESSEL whenever the BUYER requires during the construction of the VESSEL. Any such report shall be at the sole cost and expense of the SELLER. And the SELLER shall provide the BUYER with a schedule of activities such as steel cutting, prefabrication, erection, outfitting, and key-event dates such as keel-laying, launching, etc.

7. REPLACEMENT OF SUPERVISOR

The SELLER has the right to request the BUYER in writing to replace any Supervisor who is deemed unsuitable and unsatisfactory for the proper progress of the VESSEL's construction together with reasons. The BUYER shall investigate the situation by sending its representative to the SELLER's yard, if necessary, and if the BUYER considers that such SELLER's request is justified, the BUYER shall effect the replacement as soon as conveniently arrangeable.

ARTICLE V MODIFICATIONS, CHANGES AND EXTRAS

1. HOW EFFECTED

The Specifications and Plans in accordance with which the VESSEL is constructed, may be modified and/or changed at any time hereafter by written agreement of the parties hereto, provided that such modifications and/or changes or an accumulation thereof will not, in the SELLER's reasonable judgement, taking into account the current status of the construction of the VESSEL, adversely affect the SELLER's other commitments and provided further that the BUYER shall assent to adjustment of the Contract Price, time of delivery of the VESSEL and other terms of this Contract, if any, as hereinafter provided. Subject to the above, the SELLER hereby agrees to exert its best efforts to accommodate such reasonable requests by the BUYER so that the said changes and/or modifications may be made at a reasonable cost and within the shortest period of time which is reasonable and possible. Any such agreement for modifications and/or changes shall include an agreement as to the increase or decrease, if any, in the Contract Price of the VESSEL together with an agreement as to any extension or reduction in the time of delivery, providing to the SELLER reasonable additional securities satisfactory to the SELLER, or any other alterations in this Contract or the Specifications, which may be occasioned by such modifications and/or changes. The aforementioned agreement to modify and/or to change the Specifications may be effected by an exchange of duly confirmed letters or emails, manifesting such agreement. The letters and emails exchanged by the parties hereto pursuant to the foregoing shall constitute an amendment of the Specifications under which the VESSEL shall be built, and such letters and emails shall be deemed to be incorporated into this Contract and the Specifications by reference and made a part hereof. Upon consummation of the agreement to modify and/or to change the Specifications, the SELLER shall alter the construction of the VESSEL in accordance therewith, including any additions to, or deductions from, the work to be performed in connection with such construction. If for whatever reason, the parties hereto shall fail to agree on the adjustment of the Contract Price or extension of time of delivery or providing reasonable additional security to the SELLER or modification of any terms of this Contract which are necessitated by such modifications and/or changes, then the SELLER shall have no obligation to comply with the BUYER's request for any modification and/or changes.

2. CHANGES IN RULES AND REGULATIONS, ETC.

(1) If, after the date of signing this Contract, any requirements as to the rules and regulations as specified in this Contract and the Specifications to which the construction of the VESSEL is required to conform or the BUYER desires to incorporate and subject to the SELLER's consent, are altered or changed by the Classification Society or the other regulatory bodies authorized to make such alterations or changes, the SELLER and/or the BUYER, upon receipt of the notice thereof, shall transmit such information in full to each

other in writing, whereupon within fourteen (14) days after receipt of the said notice by the BUYER from the SELLER or vice versa, the BUYER shall instruct the SELLER in writing as to the alterations or changes, if any, to be made in the VESSEL which the BUYER, in its sole discretion, shall decide. The SELLER shall promptly comply with such alterations or changes, if any, in the construction of the VESSEL, provided that the BUYER shall first agree:

(a) As to any increase or decrease in the Contract Price of the VESSEL that is occasioned by the cost for such compliance; and/or

(b) As to any extension in the time for delivery of the VESSEL that is necessary due to such compliance; and/or

(c) As to any increase or decrease in the guaranteed deadweight and speed of the VESSEL, if such compliance results in increased or reduced deadweight and speed; and/or

(d) As to any other alterations in the terms of this Contract or of Specifications or both, if such compliance makes such alterations of the terms necessary.

(e) If the price is to be increased, then, in addition, as to providing to the SELLER additional securities satisfactory to the SELLER provided that the SELLER shall not unreasonably refuse to accept or delay in accepting any reasonable security proposed to the SELLER by the BUYER.

Agreement as to such alterations or changes under this Paragraph shall be made in the same manner as provided above for modifications of and/or changes to the Specifications and/or Plans as referred to in Paragraph 1 hereof.

(2) If, for whatever reason, the parties shall fail to agree on the adjustment of the Contract Price or extension of the time for delivery or increase or decrease of the guaranteed speed, deadweight and etc., or providing additional security to the SELLER, or any other alteration of the terms of this Contract, if any, then the SELLER shall be entitled to proceed with the construction of the VESSEL in accordance with, and the BUYER shall continue to be bound by, the terms of this Contract and Specifications without making any such alterations or changes.

However, if the alterations or changes in rules and regulations are compulsorily required to be made, then, notwithstanding any dispute between the Parties relating to the adjustment of the Contract Price or extension of the time for delivery or decrease of the guaranteed speed and deadweight or any other respect, the SELLER shall promptly comply with such alterations or changes first. The BUYER shall, in any event, bear the costs and expenses for such alterations or changes (with, in the absence of mutual agreement, the amount thereof and/or any other discrepancy such as but not limited to the extension of Delivery Date, etc. to be determined by arbitration in accordance with Article XIII of this Contract).

3. SUBSTITUTION OF MATERIALS AND/OR EQUIPMENT

In the event that any of the materials and/or equipment required by the Specifications or otherwise under this Contract for the construction of the VESSEL cannot be procured in time to effect delivery of the VESSEL, the SELLER may, provided the SELLER shall provide adequate evidence and the BUYER so agrees in writing, supply other materials and/or equipment of the equivalent quality, capable of meeting the requirements of the Classification Society and of the rules, regulations, requirements with which the construction of the VESSEL must comply. The BUYER shall agree to the substitution, provided that it does not harm the BUYER's interests.

4. BUYER'S SUPPLIED ITEMS

The BUYER shall deliver to the SELLER at the Dayang the items as specified in the Specifications which the BUYER shall supply on its account by the time designated by the SELLER. The SELLER shall at all times if requested (whether by the Supervisor or otherwise) provide all reasonable assistance to the BUYER in connection with any formal documentary and customs clearance for the import into the People's Republic of China of the BUYER's supplied items.

Should the BUYER fail to deliver to the SELLER such items within the time specified due to its own cause, the delivery of the VESSEL shall automatically be extended for a period of such delay, provided such delay in delivery of the BUYER's supplied items shall affect the delivery of the VESSEL. In such event, the BUYER shall pay to the SELLER all losses and damages sustained by the SELLER due to such delay in the delivery of the BUYER's supplied items and such payment shall be made upon delivery of the VESSEL.

However, if the delay in delivery of the BUYER's supplied items should exceed fifteen (15) days, the SELLER shall be entitled to proceed with construction of the VESSEL without installation of such items in or onto the VESSEL, without prejudice to the SELLER's right hereinabove provided, and the BUYER shall accept the VESSEL so completed.

The SELLER shall be responsible for storing and handling of the BUYER's Supplies as specified in the Specifications after delivery to the SELLER and shall install them on board the VESSEL at the SELLER's expense.

Upon arrival of such shipment of the BUYER's supplied items, both parties shall undertake a joint unpacking inspection. If any damaged item is found to be not suitable for installation, the SELLER shall be entitled to refuse to accept the BUYER's supplied items.

In the event of rescission of the Contract by the BUYER, the SELLER will return all the BUYER's Supplies or compensate the BUYER for the supplies.

ARTICLE VI TRIALS

1. NOTICE

The BUYER and the Supervisor shall receive from the SELLER at least thirty (30) days notice in advance and seven (7) days definite notice in advance by email, of the time and place of the VESSEL's trial (a description of the trial shall be submitted to the BUYER for approval) as described in the Specifications (hereinafter referred to as the "Trial Run") and the BUYER and the Supervisor shall promptly acknowledge receipt of such notice. The BUYER's representatives and/or the Supervisor shall be on board the VESSEL to witness such Trial Run, and to check upon the performance of the VESSEL during the same. Failure of the BUYER's representatives to be present at the Trial Run of the VESSEL, after due notice to the BUYER and the Supervisor as provided above, shall have the effect of extending the date for delivery of the VESSEL by the period of delay caused by such failure to be present. However, if the Trial Run is delayed more than seven (7) days by reason of the failure of the BUYER's representatives to be present after receipt of due notice as provided above, then in such event, the BUYER shall be deemed to have waived its right to have its representatives on board the VESSEL during the Trial Run, and the SELLER may conduct such Trial Run without the BUYER's representatives being present, and in such case the BUYER shall be obliged to accept the VESSEL on the basis of a certificate jointly signed by the SELLER and the Classification Society certifying that the VESSEL, after Trial Run subject to minor alterations and corrections as provided in this Article, if any, is found to conform to the Contract and Specifications. Furthermore, the Contract Delivery Date as stipulated in Article VII hereof shall be extended by the delays so caused by the BUYER.

In the event of unfavourable weather on the date specified for the Trial Run, the same shall take place on the first available day thereafter that the weather conditions permit. The parties hereto recognize that the weather conditions in Chinese waters in which the Trial Run is to take place are such that great changes in weather may arise momentarily and without warning and, therefore, it is agreed that if during the Trial Run of the VESSEL, the weather should suddenly become unfavourable, as would have precluded the continuance of the Trial Run, the Trial Run of the VESSEL shall be discontinued and postponed until the first favourable day next following, unless the BUYER shall assent in writing of its acceptance of the VESSEL on the basis of the Trial Run made prior to such sudden change in weather conditions. In the event that the Trial Run is postponed because of unfavourable weather conditions, such delay shall be regarded as a permissible delay, as specified in Article VIII hereof.

The officers and crew of the BUYER may be on board the VESSEL during the Trial Run to witness it and obtain familiarity with the operation of the VESSEL.

2. HOW CONDUCTED

(a) All expenses in connection with Trial Run of the VESSEL are to be for the account of the SELLER, who, during the Trial Run and when subjecting the VESSEL to Trial Run, is to provide, at its own expense, the necessary crew to comply with conditions of safe navigation.

The Trial Run shall in all circumstances be conducted in such manner and to such standard as the rules and regulations applicable to the VESSEL may require, and comply with the program of test and trial agreed by both parties.

The course of Trial Run shall be determined by the SELLER and shall be conducted within a trial basin.

(b) The SELLER shall provide the VESSEL with the required quantities of water, fuel oil and greases with exception of lubrication oil and hydraulic oil which shall be supplied by the BUYER for the conduct of the Trial Run or Trial Runs as prescribed in the Specifications. The fuel oil and greases supplied by the SELLER, and lubricating oil and hydraulic oil supplied by the BUYER shall be in accordance with the applicable engine specifications, and the cost of the quantities of water, fuel oil, lubricating oil, hydraulic oil and greases consumed during the Trial Run or Trial Runs shall be for the account of the SELLER.

3. TRIAL LOAD DRAFT

In addition to the supplies provided by the BUYER in accordance with sub-paragraph (b) of the preceding Paragraph 2 hereof, the SELLER shall provide the VESSEL with the required quantity of fresh water and other stores necessary for the conduct of the Trial Run. The necessary ballast (fresh and sea water and such other ballast as may be required) to bring the VESSEL to the trial load draft as specified in the Specifications, shall be for the SELLER's account.

4. METHOD OF ACCEPTANCE OR REJECTION

(a) Upon notification by the SELLER of the completion of the Trial Run of the VESSEL, the BUYER or the BUYER's Supervisor shall within six (6) business days thereafter, notify the SELLER by email of its acceptance of the VESSEL or of its rejection of the VESSEL together with the reasons therefor.

(b) However, should the result of the Trial Run indicate that the VESSEL or any part thereof including her equipment does not conform to the requirements of this Contract and the Specifications, then the SELLER shall investigate with the Supervisor the cause of failure and shall take proper steps to remedy the same and shall make whatever corrections and alterations and/or re-Trial Run or Runs as may be necessary without extra cost to the BUYER, and upon notification by the SELLER of completion of such alterations or corrections and/or re-trial or re-trials, the BUYER shall, within six (6) business days thereafter, notify the SELLER by email of its acceptance of the VESSEL or of the rejection of the VESSEL together with the reason therefor on the basis of the alterations and corrections and/or re-trial or re-trials by the SELLER.

(c) In the event that the BUYER fails to notify the SELLER by email of its acceptance or rejection of the VESSEL together with the reason therefor within six (6) business days as provided for in the above Sub-paragraphs (a) and (b), the BUYER shall be deemed to have accepted the VESSEL.

(d) Any dispute arising among the parties hereto as to the result of any Trial Run or further tests or trials, as the case may be, of the VESSEL shall be solved by reference to arbitration as provided in Article XIII hereof.

(e) Nothing herein shall preclude the BUYER from accepting the VESSEL with its qualifications and/or remarks following the Trial Run and/or further tests or trials as aforesaid and the SELLER shall be obliged to comply with and/or remove such qualifications and/or remarks (if such qualifications and/or remarks are acceptable to the SELLER) before effecting delivery of the VESSEL to the BUYER under this Contract.

5. DISPOSITION OF SURPLUS CONSUMABLE STORES

Should any amount of fuel oil, fresh water, or other consumable stores furnished by the SELLER for the Trial Run or Trial Runs remain on board the VESSEL at the time of acceptance thereof by the BUYER, the BUYER agrees to buy the same from the SELLER at the current market price at the port of delivery thereof, and payment by the BUYER shall be effected as provided in Article II 3 (e) and 4 (e) of this Contract.

The BUYER shall supply lubricating oil and hydraulic oil for the purpose of Trial Runs at its own expenses and the SELLER will reimburse for the amount of lubricating oil and hydraulic oil actually consumed for the said Trial Run or Trial Runs at the original price incurred by the BUYER and payment by the SELLER shall be deducted from the fifth instalment payable as provided in Article II 3(e) and 4(e) of this Contract.

6. EFFECT OF ACCEPTANCE

The BUYER's acceptance of the VESSEL by email sent to the SELLER, in accordance with the provisions set out above, subject as provided in paragraph 4(e) above shall be final and binding so far as conformity of the VESSEL to this Contract and the Specifications is concerned, and shall preclude the BUYER from refusing formal delivery by the SELLER of the VESSEL, as hereinafter provided, if the SELLER complies with all other procedural requirements for delivery as hereinafter set forth.

If, at the time of delivery of the VESSEL, there are deficiencies and/or non-conformities in the VESSEL or the certificates procured by the SELLER have conditions/recommendations, such deficiencies and/or non-conformities and/or conditions and/or recommendations should be resolved in such way that if the deficiencies or non-conformities or condition/recommendations are of minor importance, and do not in any way affect the safety or the operation of the VESSEL, her crew, passengers or cargo, the SELLER shall be nevertheless entitled to tender the VESSEL for delivery and the BUYER shall be nevertheless obliged to take delivery of the VESSEL, provided that:

(i) the SELLER shall for its own account remedy the deficiency and fulfil the requirements as soon as possible, or

(ii) if elimination of such deficiencies and/or non-conformities and/or conditions and/or recommendations will affect timely delivery of the VESSEL, then the SELLER shall indemnify the BUYER for any actual and direct cost reimbursement in association with remedying these outstanding deficiencies or non-conformities or removal of the condition/recommendations elsewhere than the Dayang as a consequence thereof, excluding, however, loss of time and/or loss of profit.

ARTICLE VII DELIVERY

1. TIME AND PLACE

The VESSEL shall be delivered safely afloat at a safe berth in Dayang by the SELLER to the BUYER, in accordance with the Specifications and with all Classification and Statutory Certificates and after completion of Trial Run (or, as the case may be, re-Trial or re-Trials) and accepted by the BUYER in accordance with the provisions of Article VI hereof on or before 30th June 2030 provided that in the event of delays in the construction of the VESSEL or any performance required under this Contract due to causes which under the terms of the Contract permit extension of the time for delivery, the aforementioned time for delivery of the VESSEL shall be extended accordingly.

The aforementioned date or such later date to which delivery is extended pursuant to the terms of this Contract is herein called the "Contract Delivery Date".

The SELLER shall give the BUYER at least 30 Days and 7 Days approximate delivery notice and at least 3 Days definite delivery notice in writing.

2. WHEN AND HOW EFFECTED

Provided that the BUYER and the SELLER shall each have fulfilled all of their respective obligations as stipulated in this Contract, delivery of the VESSEL shall be effected forthwith by the concurrent delivery by each of the parties hereto, one to the other, of the Protocol of Delivery and Acceptance, acknowledging delivery of the VESSEL by the SELLER and acceptance thereof by the BUYER, which Protocol shall be prepared in quadruplicate and executed by each of the parties hereto.

3. DOCUMENTS TO BE DELIVERED TO THE BUYER

Upon acceptance of the VESSEL by the BUYER, the SELLER shall deliver to the BUYER the following documents in the English language which shall accompany the aforementioned Protocol of Delivery and Acceptance:

(a) BUILDER'S CERTIFICATE issued by the Dayang and notarized and apostilled.

Photostatic copies of the Builder's Certificate will need to be provided at least seven (7) business days prior to actual delivery to assist the BUYER in registering the VESSEL.

(b) BILL OF SALE issued by SELLER and notarized and apostilled.

(c) COMMERCIAL INVOICE issued by the SELLER.

(d) DECLARATION OF WARRANTY issued by the SELLER that the VESSEL is delivered to the BUYER free and clear of any liens, charges, claims, mortgages, or other encumbrances upon the BUYER's title thereto, and in particular, that the VESSEL is absolutely free of all burdens in the nature of charges, dues, duties, fines, imposts, levies, or taxes imposed by the province or country of the port of delivery, as well as of all liabilities of the SELLER to its subcontractors, employees and crews and/or all liabilities arising from the operation of the VESSEL in Trial Run or Trial Runs, or otherwise, prior to delivery.

(e) ALL CERTIFICATES OR RELEVANT DOCUMENTS required to be furnished upon delivery of the VESSEL pursuant to this Contract and the Specifications. Certificates or relevant documents shall be issued by relevant Authorities or Classification Society as stipulated in the Contract and Specifications. All the certificates shall be delivered in one (1) original to the VESSEL and two (2) copies to the BUYER.

If the full term certificate or certificates are unable to be issued at the time of delivery by the Classification Society or any third party, then the provisional certificate or certificates as issued by the Classification Society or the third party shall be acceptable to the BUYER provided that the full term certificates shall be furnished by the SELLER after delivery of the VESSEL and in any event before the expiry of the provisional certificates.

(f) Certificate of Non-Registration to be issued by the SELLER stating that the VESSEL is not registered in any register at the time of delivery. This certificate shall be notarised and apostilled.

(g) FINISHED DRAWINGS AND PLANS and INSTRUCTION MANUALS, made by the SELLER, all in English and all in triplicate, shall be delivered together with the VESSEL as stipulated in the Specifications.

(h) PROTOCOL OF TRIALS of the VESSEL made by the SELLER pursuant to the Specifications.

(i) PROTOCOL OF INVENTORY of the equipment of the VESSEL including spare part and the like, all as specified in the Specifications, made by the SELLER.

(j) PROTOCOL OF STORES OF CONSUMABLE NATURE made by the SELLER.

(k) PROTOCOL OF DEADWEIGHT AND INCLINING EXPERIMENT made by the SELLER.

(l) PROTOCOL OF TRIALS of the VESSEL made by the SELLER pursuant to the Specifications.

4. TITLE AND RISK

Title to and risk of the VESSEL shall pass to the BUYER only upon delivery and the receipt of the 5th instalment by the SELLER. As stated above, it is expressly understood that, until Delivery, title to the VESSEL, and her equipment, shall remain at all times with the SELLER and at the entire risk of the SELLER.

5. REMOVAL OF VESSEL

The BUYER shall take possession of the VESSEL immediately upon delivery and acceptance thereof, and shall remove the VESSEL from the premises of the SELLER within seven (7) days after delivery and acceptance thereof are effected. If the BUYER shall not remove the VESSEL from the premises of the SELLER within the aforesaid seven (7) days, then, in such event, without prejudice to the SELLER's right to require the BUYER to remove the VESSEL immediately at any time thereafter, the BUYER shall pay to the SELLER a reasonable mooring charge for the VESSEL.

6. TENDER OF THE VESSEL

If the BUYER fails to take delivery of the VESSEL after completion thereof according to this Contract and the Specifications without justified reason, the SELLER shall have the right to tender the VESSEL for delivery after compliance with all procedural requirements as above provided.

ARTICLE VIII DELAYS & EXTENSION OF TIME FOR DELIVERY

1. CAUSE OF DELAY

If, at any time before actual delivery, either the construction of the VESSEL, or any performance required hereunder as a prerequisite to delivery of the VESSEL, is delayed due to war, blockade, revolution, insurrection, mobilization, civil commotions, riots, strikes, sabotage, lockouts, Acts of God or the public enemy, plague or other epidemics, quarantines, prolonged failure or restriction of electric current from an outside source, freight embargoes, if any, extremely hot climate, earthquakes, tidal waves, typhoons, hurricanes, storms or other causes beyond the control of the SELLER or of its subcontractors, as the case may be, or by force majeure of any description, whether of the nature indicated by the foregoing or not, or by destruction of the SELLER or works of the SELLER or its subcontractors, or of the VESSEL or any part thereof, by fire, flood, or other causes beyond the control of the SELLER or its subcontractors as the case may be, or due to the bankruptcy of the equipment and/or material supplier or suppliers, the hidden defect in casting material, then, in the event of delay due to the happening of any of the aforementioned contingencies, the SELLER shall not be liable for such delay and the time for delivery of the VESSEL under this Contract shall be extended without any reduction in the Contract Price for a period of time which shall not exceed the total accumulated time of all such delays, subject nevertheless to the BUYER's right of cancellation under Paragraph 3 of this Article and subject however to all relevant provisions of this Contract which authorize and permit extension of the time of delivery of the VESSEL.

2. NOTICE OF DELAY

Within seven (7) days from the date of commencement of any delay on account of which the SELLER claims that it is entitled under this Article to postpone the delivery of the VESSEL, the SELLER shall advise the BUYER by email of the date such delay commenced, and the reasons therefor.

Likewise within seven (7) days after such delay ends, the SELLER shall advise the BUYER by email, of the date such delay ended, and within 30 days after such delay ends, the SELLER shall notify the BUYER of the period by which the date for delivery of the VESSEL is postponed by reason of such delay with documentary evidence or other sound proof of the duration of such event causing delay. Failure of the BUYER to object to the SELLER's notification and claim to postpone the delivery of the VESSEL within seven (7) days after receipt by the BUYER of such notification, shall be deemed to be a waiver by the BUYER of its right to object to such postponement.

3. RIGHT TO CANCEL FOR EXCESSIVE DELAY

If the total accumulated time of all permissible delays and non-permissible delays aggregates to two hundred and forty (240) days or more, excluding delays due to arbitration as provided for in Article XIII hereof or due to default in performance by the BUYER, or due to delays in delivery of the BUYER's supplied items, and excluding delays due to causes which, under Articles V, XI and XII hereof, permit extension or postponement of the time for delivery of the VESSEL, then in such event, the BUYER may in accordance with the provisions set out herein cancel this Contract by serving upon the SELLER notice of cancellation which shall be confirmed in writing and the provisions of Article X of this Contract shall apply. The SELLER may, at any time, after the accumulated time of the aforementioned delays justifying cancellation by the BUYER as above provided for, demand in writing that the BUYER shall make an election, in which case the BUYER shall, within fifteen (15) days after such demand is received by the BUYER either notify the SELLER of its intention to cancel, or consent to an extension of the time for delivery to an agreed future date, it being understood and agreed by the parties hereto that, if any further delay occurs on account of causes justifying cancellation as specified in this Contract, the BUYER shall have the same right of cancellation upon the same terms as hereinabove provided (i.e., if VESSEL is not in all respects ready for delivery in accordance with the Contract at such agreed future date, the BUYER may immediately elect to cancel).

4. DEFINITION OF PERMISSIBLE DELAY

Delays on account of such causes as provided for in Paragraph 1 of this Article, but excluding any other extensions of a nature which under the terms of this Contract permit postponement of the Contract Delivery Date, shall be understood to be (and are herein referred to as) permissible delays, and are to be distinguished from non-permissible delays on account of which the Contract Price of the VESSEL is subject to adjustment as provided for in Article III hereof.

ARTICLE IX WARRANTY OF QUALITY

1. GUARANTEE OF MATERIAL AND WORKMANSHIP

The SELLER, for a period of twelve (12) months following delivery to the BUYER of the VESSEL, or as for repaired or replacement parts, twelve (12) months from the date of repair or replacement but in any case not exceeding maximum eighteen (18) months from the date of delivery to the BUYER of the VESSEL, guarantees the VESSEL, her hull and machinery and all parts and equipment thereof that are manufactured or furnished or supplied by the SELLER and/or its subcontractors under this Contract including materials and equipment (however excluding any parts for the VESSEL which have been supplied by or on behalf of the BUYER) against all defects which are due to defective materials, and/or poor workmanship.

2. NOTICE OF DEFECTS

The BUYER shall notify the SELLER in writing as promptly as possible, after discovery of any defect or deviations for which a claim is made under this guarantee. The BUYER's written notice shall describe the nature of the defect and the extent of the damage caused thereby. The SELLER shall have no obligation under this guarantee for any defects discovered prior to the expiry date of the guarantee, unless notice of such defects, is received by the SELLER not later than seven (7) days after such expiry date.

3. REMEDY OF DEFECTS

The SELLER shall remedy at its expense any defects, against which the VESSEL or any part of the equipment thereof is guaranteed under this Article by making all necessary repairs and/or replacement. Such repairs and/or replacement will be made by the SELLER.

However, if it is impractical for the SELLER to make the repair and if forwarding by the SELLER of replacement parts, and materials cannot be accomplished without impairing or delaying the operation or working of the VESSEL, then, in any such event, the BUYER shall, cause the necessary repairs or replacements to be made elsewhere at the discretion of the BUYER provided that the BUYER shall first and in all events, as soon as possible, give the SELLER notice in writing of the time and place such repairs will be made and, if the VESSEL is not thereby delayed or her operation or working is not thereby delayed or impaired, the SELLER shall have the right to verify by its own representative(s) or that of Classification Society the nature and extent of the defects complained of. The SELLER shall, in such cases, promptly advise the BUYER, by email, after such examination has been completed, of its acceptance or rejection of the defects as ones that are subject to the guarantee herein provided.

In any circumstances as set out below, the SELLER shall immediately pay to the BUYER in United States Dollars by telegraphic transfer the actual cost for such repairs or replacements including forwarding charges, or at the average cost for making similar repairs or replacements including forwarding charges as quoted by the leading shipyards in the P.R.China:

(a) Upon the SELLER's acceptance of the defects as justifying remedy under this Article, or

(b) If the SELLER neither accepts nor rejects the defects as above provided, nor request arbitration within sixty (60) days after its receipt of the BUYER's notice of defects.

In any case, the VESSEL shall be taken at the BUYER's cost and responsibility to the place elected, ready in all respects for such repairs or replacements.

Any dispute shall be referred to arbitration in accordance with the provisions of Article XIII hereof.

Any guarantee items which are covered by the terms or the scope of the guarantee but which have not been settled by the date on which the guarantee itself terminates, shall be settled within thirty (30) days after the amounts have been agreed between the parties or, in the case of disagreement, within thirty (30) days after publication of the relevant arbitration award.

4. EXTENT OF THE SELLER'S LIABILITY

The SELLER shall have no obligation and/or liabilities with respect to defects discovered after the expiration of the period of guarantee specified above.

The SELLER shall be liable to the BUYER for defects and damages caused by any of the defects specified in Paragraph 1 of this Article provided that such liability of the SELLER shall be limited to damage occasioned within the guarantee period specified in Paragraph 1 above. The SELLER shall not be obligated to repair, or to be liable for, damages to the VESSEL, or to any part of the equipment thereof, due to ordinary wear and tear or caused by the defects other than those specified in Paragraph 1 above, nor shall there be any SELLER's liability hereunder for defects in the VESSEL, or any part of the equipment thereof, caused by fire or accidents at sea or elsewhere, or mismanagement, accidents, negligence, or wilful neglect, on the part of the BUYER, its employees or AGENTs including the VESSEL's officers, crew and passengers, or any persons on or doing work on the VESSEL other than the SELLER, its employees, AGENTs or subcontractors. Likewise, the SELLER shall not be liable for defects in the VESSEL, or the equipment or any part thereof, due to repairs or replacement which were made by those other than the SELLER and/or its subcontractors.

Upon delivery of the VESSEL to the BUYER, in accordance with the terms of the Contract, the SELLER shall thereby and thereupon be released of all responsibility and liability whatsoever and howsoever arising under or by virtue of this Contract (save in respect of those obligations to the BUYER expressly provided for in this Article IX) including without limitation, any responsibility or liability for defective workmanship, materials or equipment, design or in respect of any other defects whatsoever and any loss or damage resulting from any act, omission or default of the SELLER. The SELLER shall not, in any circumstances, be liable for any consequential loss or special loss, or expenses arising from any cause whatsoever including, without limitation, loss of time, loss of profit or earnings or demurrage directly from any commitments of the BUYER in connection with the VESSEL.

The guarantee provided in this Article and the obligations and the liabilities of the SELLER hereunder are exclusive and in lieu of and the BUYER hereby waives all other remedies, warranties, guarantees or liabilities, express or implied, arising by Law or otherwise (including without limitation any obligations of the SELLER with respect to fitness, merchantability and consequential damages) or whether or not occasioned by the SELLER's negligence. This guarantee shall not be extended, altered or varied except by a written instrument signed by the duly authorized representatives of the SELLER and the BUYER.

ARTICLE X CANCELLATION, REJECTION AND RESCISSION BY THE BUYER

1. All payments made by the BUYER prior to the delivery of the VESSEL shall be in the nature of advance to the SELLER. In the event the BUYER shall exercise its right of cancellation and/or rescission of this Contract under and pursuant to any of the provisions of this Contract specifically permitting the BUYER to do so, then the BUYER shall notify the SELLER in writing, and such cancellation and/or rescission shall be effective as of the date the notice thereof is received by the SELLER.

2. Thereupon the SELLER shall refund in United States Dollars immediately to the BUYER the full amount of all sums paid by the BUYER to the SELLER on account of the VESSEL, unless the SELLER disputes the BUYER's cancellation and/or rescission by instituting arbitration in accordance with Article XIII. If the BUYER's cancellation or rescission of this Contract is disputed by the SELLER by instituting arbitration as aforesaid, then no refund shall be made by the SELLER, and the BUYER shall not be entitled to demand repayment from the SELLER's bank under its guarantee, until the arbitration award between the BUYER and the SELLER which shall be in favour of the BUYER, declaring the BUYER's cancellation and/or rescission justified, is made and delivered to the SELLER by the arbitration tribunal. In the event the SELLER is obligated to make refundment, the SELLER shall pay the BUYER interest in United States Dollars at the rate of five percent (5%) if the cancellation or rescission of the Contract is exercised by the BUYER for the delay of aggregate two hundred and forty (240) days in accordance with the provision of Paragraph 3 of Article VIII or/by the events described in Article III 1(c), 2(c), 3(c) or 4(c) hereof, however in the event of total loss as described in Article XII of this Contract, then, no interest will be refunded on the amount required herein to be refunded to the BUYER, computed from the respective dates when such sums were received by the SELLER's bank to the date of remittance by telegraphic transfer of such refund to the BUYER by the SELLER.

3. Upon such refund by the SELLER to the BUYER, all obligations, duties and liabilities of each of the parties hereto to the other under this Contract and any applicable laws shall be forthwith completely discharged.

ARTICLE XI BUYER'S DEFAULT

1. DEFINITION OF DEFAULT

The BUYER shall be deemed in default of its obligation under the Contract if any of the following events occurs:

(a) The BUYER fails to pay the first or second or third or fourth instalment to the SELLER when any such instalment becomes due and payable under the provisions of Article II hereof and provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(b) The BUYER fails to pay the fifth instalment to the SELLER in accordance with Paragraphs 3 (e) and 4 (e) of Article II hereof provided the BUYER shall have received the SELLER's demand for payment in accordance with Article II hereof; or

(c) The BUYER fails to take delivery of the VESSEL, when the VESSEL is duly tendered for delivery under the provisions of Article VII hereof by the SELLER after completion thereof in accordance with the provisions of this Contract and the Specifications.

2. NOTICE OF DEFAULT

If the BUYER is in default of payment or in performance of its obligations as provided hereinabove, the SELLER shall notify the BUYER to that effect by email or other ways in writing after the date of occurrence of the default as per Paragraph 1 of this Article and the BUYER shall forthwith acknowledge by email or other ways in writing to the SELLER that such notification has been received. In case the BUYER does not give the aforesaid acknowledgment to the SELLER within five (5) calendar days it shall be deemed that such notification has been duly received by the BUYER.

3. INTEREST AND CHARGE

(a) If the BUYER is in default of payment as to any instalment as provided in Paragraph 1 (a) and/or 1 (b) of this Article, the BUYER shall pay interest on such instalment at the rate of five percent (5%) per annum from the due date thereof until the date of the payment of the full amount, including all aforesaid interest. In case the BUYER shall fail to take delivery of the VESSEL when required to as provided in Paragraph 1 (c) of this Article, the BUYER shall be deemed in default of payment of the fifth instalment and shall pay interest thereon at the same rate as aforesaid from and including the day on which the

VESSEL is tendered for delivery by the SELLER, as provided in Article VII Paragraph 6 hereof.

(b) In any event of default by the BUYER under 1 (a) or 1 (b) or 1(c) above, the BUYER shall also pay all costs, charges and expenses incurred by the SELLER in consequence of such default.

4. DEFAULT BEFORE DELIVERY OF THE VESSEL

(a) If any default by the BUYER occurs as defined in Paragraph 1 (a) or 1 (b) or 1(c) of this Article, the Contract Delivery Date shall, at the SELLER's option, be postponed for a period of continuance of such default by the BUYER.

(b) If any such default as defined in Paragraph 1 (a) or 1 (b) or 1(c) of this Article committed by the BUYER continues for a period of fifteen (15) days, then, the SELLER shall have all following rights and remedies:

(i) The SELLER may, at its option, cancel or rescind this Contract, provided the SELLER has notified the BUYER of such default pursuant to Paragraph 2 of this Article, by giving notice of such effect to the BUYER by email or other ways in writing. Upon receipt by the BUYER of such notice of cancellation or rescission, all of the BUYER's Supplies shall forthwith become the sole property of the SELLER, and the VESSEL and all its equipment and machinery shall be at the sole disposal of the SELLER for sale or otherwise; and

(ii) In the event of such cancellation or rescission of this Contract, the SELLER shall be entitled to retain any instalment or instalments of the Contract Price paid by the BUYER to the SELLER on account of this Contract.

(iii) (Applicable to any BUYER's default defined in 1 (a) of this Article) The SELLER shall, without prejudice to the SELLER's right to recover from the BUYER the fifth instalment, interest, costs and/or expenses by applying the proceeds to be obtained by the sale of the VESSEL in accordance with the provisions set out in this Contract, have the right to declare all unpaid 1st , 2nd , 3rd and 4th instalments to be forthwith due and payable, and upon such declaration, the SELLER shall have the right to immediately demand the payment of the aggregate amount of all unpaid 1st , 2nd , 3rd and 4th instalments from the Guarantor in accordance with the terms and conditions issued by the Guarantor.

5. SALE OF THE VESSEL

(a) In the event of cancellation or rescission of this Contract as above provided, the SELLER shall have full right and power either to complete or not to complete the VESSEL as it deems fit, and to sell the VESSEL at a public or private sale on such terms and conditions as the SELLER thinks fit without being answerable for any loss or damage occasioned to the BUYER thereby.

In the case of sale of the VESSEL, the SELLER shall give email or other written notice to the BUYER.

(b) In the event of the sale of the VESSEL in its completed state, the proceeds of sale received by the SELLER shall be applied firstly to payment of all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all unpaid instalments and/or unpaid balance of the Contract Price and interest on such instalment at the interest rate as specified in the relevant provisions set out above from the respective due dates thereof to the date of application.

(c) In the event of the sale of the VESSEL in its incomplete state, the proceeds of sale received by the SELLER shall be applied firstly to all expenses attending such sale and otherwise incurred by the SELLER as a result of the BUYER's default, and then to payment of all costs of construction of the VESSEL (such costs of construction, as herein mentioned, shall include but are not limited to all costs of labour and/or prices paid or to be paid by the SELLER for the equipment and/or technical design and/or materials purchased or to be purchased, installed and/or to be installed on the VESSEL) and/or any fees, charges, expenses and/or royalties incurred and/or to be incurred for the VESSEL less the prepayment so retained by the SELLER, and compensation to the SELLER for a reasonable sum of loss of profit due to the cancellation or rescission of this Contract.

(d) In either of the above events of sale, if the proceed of sale exceeds the total of the amounts to which such proceeds are to be applied as aforesaid, the SELLER shall promptly pay the excesses to the BUYER without interest, provided, however that the amount of the payment to the BUYER shall in no event exceed the total amount of prepayment already paid by the BUYER and the cost of the BUYER's Supplies, if any.

(e) If the proceed of sale are insufficient to pay such total amounts payable as aforesaid, the BUYER shall promptly pay the deficiency to the SELLER upon request.

ARTICLE XII INSURANCE

1. EXTENT OF INSURANCE COVERAGE

From the time of keel-laying of the first section of the VESSEL until the same is completed, delivered to and accepted by the BUYER, the SELLER shall, at its own cost and expense, keep the VESSEL and all machinery, materials, equipment, appurtenances and outfit, delivered to the SELLER for the VESSEL or built into, or installed in or upon the VESSEL, including the BUYER's Supplies, fully insured with first class Chinese insurance companies for SELLER's risk.

The amount of such insurance coverage shall, up to the date of delivery of the VESSEL, be in an amount at least equal to, but not limited to, the aggregate of the payments made by the BUYER to the SELLER. The policy referred to hereinabove shall be taken out in the name of the SELLER and all losses under such policy shall be payable to the SELLER.

2. APPLICATION OF RECOVERED AMOUNT

(a) Partial Loss:

In the event the VESSEL shall be damaged by any insured cause whatsoever prior to delivery thereof by the SELLER and in the further event that such damage shall not constitute an actual or a constructive total loss of the VESSEL, the SELLER shall apply the amount recovered under the insurance policy referred to in Paragraph 1 of this Article to the repair of such damage satisfactory to the Classification Society, and other institutions or authorities as described in the Specifications, and to the reasonable satisfaction of the BUYER without additional expenses to the BUYER, and the BUYER shall accept the VESSEL under this Contract if completed in accordance with this Contract and Specifications and not make any claim for any consequential loss or depreciation.

(b) Total Loss:

However, in the event that the VESSEL is determined to be an actual or constructive total loss, the SELLER shall either:

(i) By the mutual agreement between the parties hereto, proceed in accordance with terms of this Contract, in which case the amount recovered under said insurance policy shall be applied to the reconstruction and/or repair of the VESSEL's damages and/or replacement and reinstallation of BUYER's Supplies without additional expenses to the BUYER, provided the parties hereto shall have first agreed in writing as to such reasonable extension of the Contract Delivery Date and adjustment of other terms of this Contract including the Contract Price as may be necessary for the completion of such reconstruction; or

(ii) If for whatever reason the parties fail to agree on the above, then refund immediately to the BUYER the amount of all instalments paid to the SELLER under this Contract without interest together with recovered amount for BUYER's Supplies onboard, whereupon this Contract shall be deemed to be cancelled and all rights, duties, liabilities and obligations of each of the parties to the other shall terminate forthwith.

Within thirty (30) days after receiving notice of any damage to the VESSEL constituting an actual or a constructive total loss, the BUYER shall notify the SELLER in writing of its agreement or disagreement under this sub-paragraph. In the event the BUYER fails to so notify the SELLER, then such failure shall be construed as a disagreement on the part of the BUYER. This Contract shall be deemed as rescinded and cancelled and the BUYER receive the refund as hereinabove provided and the provisions hereof shall apply.

(c) In case of any damages to the VESSEL, the SELLER shall notify the BUYER of the extent of damage to the VESSEL within thirty (30) days.

3. TERMINATION OF THE SELLER'S OBLIGATION TO INSURE

The SELLER's obligation to insure the VESSEL hereunder shall cease and terminate forthwith upon delivery thereof to the BUYER.

ARTICLE XIII DISPUTES AND ARBITRATION

1. PROCEEDINGS

In the event of any dispute between the BUYER and the SELLER as to any matter arising out of or relating to this Contract or any stipulation herein or with respect thereto which cannot be settled by the BUYER and the SELLER themselves, such dispute shall be resolved by arbitration in London Maritime Arbitrators Association (LMAA) in accordance with the Laws of England and the rules and terms of LMAA current at the time when the arbitration proceedings are commenced. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute.

In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators shall apply to the President for the time being of LMAA to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators, as the case may be, shall be final, conclusive and binding upon the parties hereto.

The arbitration will be conducted in London. The language of the arbitration shall be English. The law governing this arbitration provision shall be English law.

The parties mutually agree to cooperate with each other so as to achieve the objective that the arbitration award can be rendered as expeditiously as possible.

2. ALTERNATIVE ARBITRATION BY AGREEMENT

Notwithstanding the preceding provisions of this Article, it is recognized that in the event of any dispute or difference of opinion arising in regard to the construction of the

VESSEL, her machinery and equipment, or concerning the quality of materials or workmanship thereof or thereon, such dispute may be referred to the Classification Society upon mutual agreement of the parties hereto. In such case, the opinion of the Classification Society shall be final and binding on the parties hereto.

3. NOTICE OF AWARD

Notice of any award shall immediately be given in writing to the SELLER and the BUYER.

4. EXPENSES

The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear.

5. AWARD OF ARBITRATION

Award of arbitration, shall be final and binding upon the parties concerned. The right for appeal available under the English laws is hereby expressly precluded and excluded by the parties hereto.

6. ENTRY IN COURT

Judgment on any award may be entered in any court of competent jurisdiction.

7. ALTERATION OF DELIVERY TIME

In the event of reference to arbitration of any dispute arising out of matters occurring prior to delivery of the VESSEL, the SELLER shall not be entitled to extend the Delivery Date as defined in Article VII hereof and the BUYER shall not be entitled to postpone its acceptance of the VESSEL on the Delivery Date or on such newly planned time of delivery of the VESSEL as declared by the SELLER. However, if the construction of the VESSEL is affected by any arbitration, the SELLER shall then be permitted to extend the Delivery Date as defined in Article VII and the decision or the award shall include a finding as to what extent the SELLER shall be permitted to extend the Delivery Date.

ARTICLE XIV RIGHT OF ASSIGNMENT, TRANSFER, NOVATION AND NOMINATION

1. SELLER'S ASSIGNMENT

The SELLER shall have the right to assign the benefits of this Contract to the SELLER's financiers for the purpose of securing the SELLER's financing.

2. BUYER'S ASSIGNMENT, TRANSFER, NOVATION OR NOMINATION

(a) The BUYER shall have the right to assign the benefits of this Contract to the BUYER's financiers for the purpose of securing the BUYER's financing.

(b) The BUYER shall have the right, subject to the SELLER's consent which shall not be unreasonably withheld, to assign, transfer or novate this Contract to any other third party and shall also have the right to nominate any other third party to take delivery of the VESSEL.

In the event of such assignment, transfer or novation to a third party (the "NEW BUYER") with the consent of the SELLER as mentioned under subparagraph (b) above, the SELLER shall procure the SELLER's bank to issue a new Refund Guarantee for the 1st, 2nd, 3rd and 4th instalments in the form acceptable to the NEW BUYER and in favour of the NEW BUYER, and the BUYER shall surrender the Refund Guarantee issued by the SELLER's bank under this Contract in favour of the BUYER.

It is understood that any documented expenses or legal charges duly incurred by and/or attributable to any assignment or transfer or novation of this Contract and/or the Refund Guarantee as requested by the BUYER, shall be for the BUYER's account.

ARTICLE XV TAXES AND DUTIES

1. TAXES AND DUTIES INCURRED IN CHINA

The SELLER shall bear and pay all taxes, duties, stamps, dues, levies, and fees of whatsoever nature incurred or imposed in the People's Republic of China in connection with the execution and/or performance of this Contract by the SELLER and its subcontractors and any payments to be made hereunder by the BUYER. The SELLER will assist the BUYER in the respect of BUYER's Supplies to be imported into the People's Republic of China in compliance with the laws of the People's Republic of China.

2. TAXES AND DUTIES INCURRED OUTSIDE CHINA

The BUYER shall bear and pay all taxes, duties, stamps, and fees outside the People's Republic of China in connection with execution and/or performance of this Contract by the BUYER except for taxes, duties, stamps, dues, and fees imposed upon the items which are to be procured by the SELLER for the construction of the VESSEL in accordance with the terms of this Contract and the Specification.

ARTICLE XVI PATENTS, TRADEMARKS AND COPYRIGHTS

The machinery and equipment of the VESSEL may bear the patent number, trademarks or trade names of the manufacturers. The SELLER shall defend and save harmless the BUYER from patent liability or claims of patent infringement of any nature or kind, including costs and expenses for, or on account of any patented or patentable invention made or used in the performance of this Contract and also including cost and expense of litigation, if any.

Nothing contained herein shall be construed as transferring any patent or trademark rights or copyright in equipment covered by this Contract, and all such rights are hereby expressly reserved to the true and lawful owners thereof. Notwithstanding any provisions contained herein to the contrary, the SELLER's obligation under this Article will not be terminated by the passage of any specified period of time.

The SELLER's indemnity hereunder does not extend to equipment or parts supplied by the BUYER to the SELLER if any.

ARTICLE XVII NOTICE

Any and all notices and communications in connection with this Contract shall be addressed as follows:

To the BUYER:		JINJI MARINE INC.
Address	:	c/o 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong, China
Tel	:	+852-25450951
Email	:	sfng@jinhuiship.com; mng@jinhuiship.com; shumyh@jinhuiship.com; tsangth@jinhuiship.com newbuilding@jinhuiship.com
PIC	:	Mr. S.F. Ng; Mr. Michael Ng; Mr. Y.H. Shum; Mr. T.H. Tsang

To the SELLER

(1) To the SUMEC:		SUMEC MARINE CO., LTD.
Address	:	198 Changjiang Road, Nanjing, Jiangsu, China 210018
Tel	:	+ 86 (25) 84532027
Email	:	chengx@sumec.com.cn
PIC	:	Mr. Chen Guanxing

and

(2) To the Dayang:		New Dayang Shipbuilding Co., Ltd.
Address	:	8# Yongda Road, Lidian town, Guangling district, Yangzhou City, Jiangsu, China
Tel	:	+ 86-514-89789188
Email	:	zhengchuanyuanyz@sumec.com.cn
PIC	:	Ms. Zheng Chuanyuan

Any change of address shall be communicated by email or other ways in writing by the party making such change to the other party and in the event of failure to give such notice of change, communications addressed to the party at their last known address shall be deemed sufficient.

Any and all notices, requests, demands, instructions, advice and communications in connection with this Contract shall be deemed to be given at, and shall become effective from, the time when the same is delivered to the address of the party to be served, provided, however, that registered airmail shall be deemed to be delivered ten (10) days after the date of dispatch, express courier service shall be deemed to be delivered five (5) days after the date of dispatch, and email transmissions shall be deemed as delivered upon the subject email has been removed to the "Sent" box on the sending computer, unless there is a return or undelivered notification.

Any and all notices, communications, Specifications and drawings in connection with this Contract shall be written in the English language and each party hereto shall have no obligation to translate them into any other language.

ARTICLE XVIII EFFECTIVE DATE OF CONTRACT

This Contract shall become effective upon due execution of this Contract and the Specifications.

In the event that even if having made every effort, the BUYER and SELLER's bank fail to reach agreement on the final form and wording of the Refund Guarantee which made the Refund Guarantee not issued within sixty (60) days after execution of this Contract, unless an extension of time limit is mutually agreed, then any party of this Contract shall get the right to make this Contract cancelled, null, void and having no effect any more by a written notice. And no party shall be liable for this cancelation to the other for any loss or damage (if any) whether under this Contract or under any applicable laws.

ARTICLE XIX INTERPRETATION

1. LAW APPLICABLE

The parties hereto agree that the validity and interpretation of this Contract and of each Article and part hereof be governed by and interpreted in accordance with the Laws of England.

2. DISCREPANCIES

All general language or requirements embodied in the Specifications are intended to amplify, explain and implement the requirements of this Contract. However, in the event that any language or requirements so embodied in the Specifications permit an interpretation inconsistent with any provision of this Contract, then in each and every such event the applicable provisions of this Contract shall govern. The Specifications and plans are also intended to explain each other, and anything shown on the plans and not stipulated in the Specifications or stipulated in the Specifications and not shown on the plans, shall be deemed and considered as if embodied in both. In the event of conflict between the Specifications and plans, the Specifications shall govern.

However, with regard to such inconsistency or contradiction between this Contract and the Specifications as may later occur by any change or changes in the Specifications agreed upon by and among the parties hereto after execution of this Contract, then such change or changes shall govern.

3. ENTIRE AGREEMENT

This Contract sets forth the entire understanding of the Parties with respect to the subject matter discussed herein. It supersedes all prior discussions, negotiations and agreements, whether oral or written, expressed or implied.

ARTICLE XX CONFIDENTIALITY

The details of this Contract shall be kept private and confidential by each party unless required for the purpose of performing this Contract and/or any party is required to make disclosure pursuant to applicable laws, rules or regulations. It is acknowledged that the intermediate holding company of the BUYER, Jinhui Shipping and Transportation Limited ("Jinhui Shipping") and the parent company of Jinhui Shipping, Jinhui Holdings Company Limited ("Jinhui Holdings") will need to make public announcements pursuant to applicable rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively, provided that such public announcement shall be limited to the necessary scope and extent as required by applicable rules and regulations of the Oslo Stock Exchange and the Hong Kong Stock Exchange respectively.

This Contract is conditional upon approval by the general meeting of Jinhui Holdings for obtaining approval by shareholders of Jinhui Holdings.

In WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed on the day and year first above written.

THE BUYER: JINJI MARINE INC.

By:

Name: Ng Siu Fai

Title: Director

THE SELLER:

SUMEC MARINE CO., LTD.

By:

Name: He Jun

Title: Chairman / Legal Representative

NEW DAYANG SHIPBUILDING CO., LTD.

By:

Name: Xu Bin

Title: General Manager / Legal Representative

EXHIBIT "A"

[SUBJECT TO FINAL AGREEMENT BETWEEN THE BUYER AND THE SELLER'S BANK]

Irrevocable Letter of Guarantee (Refund Guarantee)

TO: JINJI MARINE INC.
Date: -----

Irrevocable Letter of Guarantee No.-----

1. At the request of SUMEC Marine Co., Ltd. and New Dayang Shipbuilding Co., Ltd. (hereinafter together called the "SELLER") and in consideration of your agreeing to pay the SELLER the first/second/third/fourth instalment before delivery of a ship under the Contract No. SUMEC26564 concluded by and amongst you and the SELLER dated ----- (hereinafter called the "Contract") for the construction of one (1) ----- to be designated as Hull No.NDY1380 (hereinafter called the "VESSEL"), we, [Bank Name---], do hereby irrevocably, absolutely and unconditionally guarantee as primary obligor and not merely as surety to repay to you an amount of up to but not exceeding a total amount of USD13,600,000- (Say United States Dollars Thirteen Million Six Hundred Thousand Only), representing the first, second, third and fourth instalments of the Contract Price of the VESSEL, as you may have paid to the SELLER under the Contract prior to the delivery of the VESSEL, if and when the same or any part thereof becomes repayable to you from the SELLER in accordance with the terms of the Contract.

2. Should the SELLER fail to make such repayment, we shall pay you the amount the SELLER ought to pay with no interest if cancellation of the Contract is exercised by you for the total loss of the VESSEL, or together with interest at the rate of [ ] percent ([ ]%) per annum if the cancellation of the Contract is exercised by you in accordance with the provisions of Paragraph 3 of Article VIII or by reason of the circumstances described in Article III 1(c), 2(c), 3(c) or 4(c) of the Contract, within ten (10) business days after our receipt of the relevant demand for repayment. Such demand ("an authenticated demand") may be made by you in writing by any one or more of the following means:

   2.1. by you through your bank and duly authenticated by your bank; or
   2.2. by your bank on your behalf through authenticated swift.

3. However, in the event of our receipt, before your demand or within ten (10) business days after such demand has been received by us, of a notice made by the SELLER that there is a dispute between you and the SELLER in relation to (i) whether the SELLER shall be liable to repay the instalment or instalments paid by you, and (ii) consequently whether you shall have the right to demand payment from us, then we shall be entitled to withhold and defer payment for a period not exceeding ten (10) business days after such notice of dispute and the following provisions will apply:

3.1. if such dispute is submitted for arbitration in accordance with Article XIII of the Contract within ten (10) business days' period after receipt of notice of dispute by us and the SELLER provides us with a copy of the SELLER's notice to you stating the name of the arbitrator appointed by the SELLER and the question or questions as to which the SELLER is demanding arbitration as required pursuant to Article XIII, Clause 1, of the Contract (a copy of such SELLER's notice will be forwarded promptly by us to you), we shall be entitled to withhold and defer payment until the final arbitration award is published. We shall not be obligated to make any payment to you unless such arbitration award orders the SELLER to make repayment. If the SELLER fails to honour the award, then we shall make payment to you to the extent the arbitration award orders but not exceeding the aggregate amount of this guarantee plus the interest described above within seven (7) business days after your submitting to us a further demand (being an authenticated demand, as aforesaid) in substitution for the demand previously submitted specifying

3.1.1. the final arbitration award has been published; and
3.1.2. the amount the SELLER is obliged to pay you pursuant to such award; and
3.1.3. that you have not received from the SELLER the amount payable by the SELLER to you in satisfaction of such award; and
3.1.4. accordingly, the amount demanded by you under this letter of guarantee.

3.2. If no such copy notice of arbitration is received by us within such ten (10) business days' period, we shall forthwith pay to you the amount specified in your demand.

4. The said payment shall be made by us in United States Dollars by telegraphic transfer to the account specified in the notice of demand.

5. Our liability under this letter of guarantee shall be reduced automatically in accordance with the repayment made by the SELLER or by ourselves.

6. This Letter of Guarantee shall become effective from the time of the actual receipt of the <u>first</u> instalment by the SELLER at its Account No. --- with us quoting the reference number of this Letter of Guarantee first above written, and the amounts effective under this Letter of Guarantee shall correspond to the total payment actually made by you from time to time being the <u>first, second, third and/or fourth</u> instalments under the Contract prior to the delivery of the VESSEL. However, the available amount under this Letter of Guarantee shall in no event exceed the abovementioned amount actually paid to the SELLER, with no interest or, as the case may be, together with interest calculated as described above at ----- percent (-----%) per annum, for the period commencing with the date of receipt by the SELLER of the instalment to the date of repayment thereof.

7. This Letter of Guarantee shall remain in force until the VESSEL has been delivered to and accepted by you as evidence by presentation to us one copy of the protocol of delivery and acceptance duly signed by you and the SELLER or full refund has been made by the SELLER or ourselves or until 11 April 2031, whichever occurs earlier. However, in the event that there exists arbitration between you and the SELLER for any such matter as described above, then the validity of this guarantee shall be

automatically extended until the date falling on the thirtieth (30th) calendar day after the final arbitration award is published.

8. All payments by us under this Letter of Guarantee shall be made without any set-off or counterclaim and without deduction or withholding for or on account of any taxes, duties, or charges whatsoever unless we are compelled by law to deduct or withhold the same. In the latter event we shall make the minimum deduction or withholding permitted and will pay such additional amounts as may be necessary in order that the net amount received by you after such deductions or withholdings shall equal the amount which would have been received had no such deduction or withholding been required to be made.

9. Neither our liability nor our obligations under this Letter of Guarantee shall be affected or discharged by any amendment, modification, supplement or variation of the Contract or any invalidity, irregularity or unenforceability or otherwise of the Contract or any time or indulgence granted to the SELLER under the terms of the Contract and/or any insolvency, administration, bankruptcy, liquidation, dissolution restructuring or reorganization (or analogous procedure) of the SELLER. However, notwithstanding the foregoing our liability under this Letter of Guarantee shall in no event be greater than the aforesaid guaranteed amount plus interest (as the case may be).

10. We agree that you may assign your rights the benefit of this refund guarantee to any commercial bank or other financial institutions providing financing facilities to you or your parent company. However, the right of making demand under this letter of guarantee for repayment shall remain with yourselves.

    In case of such assignment, you are obliged to send a notice of assignment in the form acceptable to us through an authenticated swift notification from your bank. The assignment shall not become effective without our acknowledgement through swift

11. We hereby confirm that we are permitted by the law of the People's Republic of China to issue guarantees with the wording of this Letter of Guarantee and especially to designate English law and London as place of arbitration/jurisdiction as provided in paragraph 14 below.

12. We hereby confirm that this Letter of Guarantee shall be duly filed with the relevant SAFE authority if such is required by applicable laws and regulations and further confirm that we have obtained all necessary approvals and authorizations to issue this Letter of Guarantee and that we are authorized to effect payment hereunder in United States Dollars.

13. All the banking charges outside of the People's Republic of China are for your account and all the banking charges inside the People's Republic of China are for the account of the SELLER.

14. This Letter of Guarantee is governed by the Laws of England. In the event of any dispute between the BUYER and the SELLER as to any matter arising out of or relating to this Letter of Guarantee or any stipulation herein or with respect thereto which cannot be settled by the BUYER and the SELLER themselves, such dispute shall be resolved by arbitration in London Maritime Arbitrators Association (LMAA) in

accordance with the Laws of England and the rules and terms of LMAA current at the time when the arbitration proceedings are commenced. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute. In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators shall apply to the President for the time being of LMAA to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators, as the case may be, shall be final, conclusive and binding upon the parties hereto. The arbitration will be conducted in London. The language of the arbitration shall be English. The law governing this arbitration provision shall be English law. The parties mutually agree to cooperate with each other so as to achieve the objective that the arbitration award can be rendered as expeditiously as possible. Notice of any award shall immediately be given in writing to the SELLER and the BUYER. The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear. Award of arbitration, shall be final and binding upon the parties concerned. The right for appeal available under the English laws is hereby expressly precluded and excluded by the parties hereto. Judgment on any award may be entered in any court of competent jurisdiction.

15. All demands and notices in connection with this Letter of Guarantee shall be sent to us at the following address:
the SELLER's bank,
(the address of the SELLER's bank),
Nanjing, China

By: the SELLER's bank

EXHIBIT "B"

Performance Guarantee

To: SUMEC Marine Co., Ltd. and New Dayang Shipbuilding Co., Ltd. (hereinafter together called the "SELLER")
Date: xxxx, 2026

Dear Sirs,

Performance Guarantee

Re: Hull No.: NDY1380

In consideration of your execution of a Shipbuilding Contract No. SUMEC26564(the "Contract") dated June 8th 2026 for the construction of one (1) 64,100 DWT BULK CARRIER (the "VESSEL"), we, JINHUI SHIPPING AND TRANSPORTATION LIMITED, hereby absolutely, unconditionally and irrevocably guarantee:

1) The due and punctual payment by the BUYER in accordance with the terms and provisions of the Contract of any and all sums which are now or at any time hereafter payable by the BUYER under of in respect of the Contract in accordance with terms and conditions thereof including (without limitation) all claims of monies due and to become due to you thereunder and all claims for damages in respect of any breach by the BUYER of the Contract (the "Contract Liabilities"); and

2) The due and punctual performance of all obligations of the BUYER under and in respect of the Contract other than the Contract Liabilities (the "Contract Obligations").

If the BUYER fails to make payment of any of the Contract Liabilities when and as the same shall become due and payable we hereby covenant that we will pay to you upon demand the amount equal to any sum or sums in respect of which the BUYER shall not have made payment, and will indemnify you against all losses, damages, costs or expenses suffered or incurred by you in consequence of the BUYER's failure to perform or comply with the Contract Obligations.

The guarantee contained in this letter will not be discharged or affected by:
1) Any granting of time or other indulgence or without limitation any modification, transfer, extension, renewal acceptance, forbearance or release in respect of any Contract Liabilities or Contract obligations;

2) Any corporate reorganization, reconstruction, amalgamation, dissolution, merger, acquisition of or by any other alteration in the corporate existence or structure of the BUYER; or

3) Any other act or omission to act of any kind by you or any other person or any other circumstance whatsoever which might constitute a legal or equitable discharge of us.

It being our intention that the guarantee set out herein shall be irrevocable, absolute and unconditional in any and all circumstances.

The guarantee herein contained shall remain in full force and effect until final performance in full of all Contract Liabilities and performance in full of all Contract obligations whatsoever in accordance with the terms and provisions of the Contract notwithstanding the insolvency or liquidation of the BUYER or any other event whatsoever.

We hereby irrevocably waive acceptance of this guarantee, diligence, presentment, discussion, demand, protest and notice of any kind whatsoever and confirmation that this guarantee may be enforced by you as often as the need may arise.

We hereby also irrevocably waive our right of being informed by either the BUYER or the SELLER of any modification or amendment on specifications and/or drawing or on any alteration or modification on any terms and conditions of this Contract, and such modification or amendment or alteration, if there is any, as if we, as the guarantor, had been informed.

Until the whole of the Contract Liabilities shall have been paid in full and the Contract Obligations fully performed, we shall not by paying off any sum recoverable hereunder or under the Contract or by any other means or on any other grounds claim any set-off or counterclaim against the BUYER in respect of any liability to the BUYER or be entitled to the benefit of any other security which you may now or hereafter hold for any part of the Contract Liabilities or the Contract Obligations nor shall we have any other right of surety discharging its liability, and we will not without your prior written consent prove the insolvency, winding-up or liquidation of the BUYER in competition with you.

Any certificate by you of the amount due from the BUYER in respect of the Contract Liabilities shall in the absence of manifest error be conclusive and binding upon us.

We shall not be entitled to any rights of remedies, legal or equitable, of a surety as regard any of the indebtedness, obligations or liabilities of ourselves under or pursuant to this Guarantee.

We confirm that all necessary Governmental consents, permits and approvals applicable to this guarantee, if any have been granted.

You shall have the right to assign the benefit of this Letter of Guarantee to your financiers for the purpose of securing the SELLER's financing.

In the event that the BUYER with the SELLER's consent declares by written notice that it will exercise its right under Article XIV, Paragraph 2 of the Contract to assign, transfer or novate the Contract to or with a third party, the BUYER shall have the liberty at its option to procure that the third party arranges for a performance guarantee in respect of the BUYER's obligations under the Contract to be issued in the same terms as Exhibit "B" thereto by a guarantor whose identity is acceptable to you.

This guarantee shall be in addition to and not in substitution for any other rights which you may have under or by virtue of the Contract or any collateral or security securing the BUYER's indebtedness and by be enforced without requiring you first having recourse to any such rights and without requiring you to take any steps or proceedings against the BUYER.

We as Guarantor shall be entitled under this guarantee to all rights and obligations of the BUYER under the shipbuilding contract.

This guarantee shall be governed by the laws of England. In the event of any dispute between the BUYER and the SELLER as to any matter arising out of or relating to this Letter of Guarantee or any stipulation herein or with respect thereto which cannot be settled by the BUYER and the SELLER themselves, such dispute shall be resolved by arbitration in London Maritime Arbitrators Association (LMAA) in accordance with the Laws of England and the rules and terms of LMAA current at the time when the arbitration proceedings are commenced. Either party may demand arbitration of any such disputes by giving written notice to the other party. Any demand for arbitration by either party hereto shall state the name of the arbitrator appointed by such party and shall also state specifically the question or questions as to which such party is demanding arbitration. Within twenty (20) days after receipt of notice of such demand for arbitration, the other party shall in turn appoint a second arbitrator. The two arbitrators thus appointed shall thereupon select a third arbitrator, and the three arbitrators so named shall constitute the board of arbitration (hereinafter called the "Arbitration Board") for the settlement of such dispute. In the event however, that said other party should fail to appoint a second arbitrator as aforesaid within twenty (20) days following receipt of notice of demand of arbitration, it is agreed that such party shall thereby be deemed to have accepted and appointed as its own arbitrator the one already appointed by the party demanding arbitration, and the arbitration shall proceed forthwith before this sole arbitrator, who alone, in such event, shall constitute the Arbitration Board. And in the further event that the two arbitrators appointed respectively by the parties hereto as aforesaid should be unable to reach agreement on the appointment of the third arbitrator within twenty (20) days from the date on which the second arbitrator is appointed, either party of the said two arbitrators shall apply to the President for the time being of LMAA to appoint the third arbitrator. The award of the arbitration, made by the sole arbitrator or by the majority of the three arbitrators, as the case may be, shall be final, conclusive and binding upon the parties hereto. The arbitration will be conducted in London. The language of the arbitration shall be English. The law governing this arbitration provision shall be English law. The parties mutually agree to cooperate with each other so as to achieve the objective that the arbitration award can be rendered as expeditiously as possible. Notice of any award shall immediately be given in writing to the SELLER and the BUYER. The arbitrator(s) shall determine which party shall bear the expenses of the arbitration or the proportion of such expenses which each party shall bear. Award of arbitration, shall be final and binding upon the parties concerned. The right for appeal available under the English laws is hereby expressly precluded and excluded by the parties hereto. Judgment on any award may be entered in any court of competent jurisdiction.

Yours faithfully,

For and on behalf of
JINHUI SHIPPING AND TRANSPORTATION LIMITED

By: ______________
Name:
Title:

(A) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Introduction

The following is the unaudited pro forma consolidated statement of financial position (the "Unaudited Pro Forma Financial Information") as at 31 December 2025 of Jinhui Holdings Company Limited (the "Company") and its subsidiaries (collectively the "Group") in connection with the transactions contemplated under the Acquisition of the First Vessel and the Second Vessel and the Acquisition of the Third Vessel and the Fourth Vessel. In addition, apart from the Acquisition of the First Vessel and the Second Vessel and the Acquisition of the Third Vessel and the Fourth Vessel, the Group also entered into the following equity linked fixed coupon notes and acquisition and disposal of vessels on or after 31 December 2025 (the "Previous Acquisitions and Disposals"):

1. Acquisition of equity linked fixed coupon notes as per announcement dated 5 January 2026;

2. Acquisition of equity linked fixed coupon notes as per announcement dated 6 January 2026;

3. Cancellation notice as per announcement dated 23 January 2026 regarding the disposal of vessel entered into in December 2025;

4. Acquisition of two vessels as per announcement dated 11 February 2026;

5. Disposal of vessel as per announcement dated 6 March 2026; and

6. Disposal of vessel as per announcement dated 20 March 2026.

The Enlarged Group represents the Group upon the completion of the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals (collectively referred to as the "Enlarged Group").

The Unaudited Pro Forma Financial Information, comprising the unaudited pro forma consolidated statement of financial position of the Group and related notes, has been prepared in accordance with Rule 4.29 of the Listing Rules for the purposes of illustrating the effect of the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals as if the transactions had been completed on 31 December 2025.

The Unaudited Pro Forma Financial Information is prepared based on the audited consolidated statement of financial position of the Group as at 31 December 2025, which has been extracted from the published annual report of the Group for the year ended 31 December 2025, after making proforma adjustments relating to the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals, as if they had been completed on 31 December 2025.

The Unaudited Pro Forma Financial Information of the Enlarged Group is prepared based on a number of assumptions, estimates, uncertainties and currently available information to provide information of the Enlarged Group upon completion of the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals. It has been prepared for illustrative purposes only and because of its nature, it may not give a true picture of the Enlarged Group's financial position following the completion of the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals. Further, the Unaudited Pro Forma Financial Information of the Enlarged Group does not purport to predict the future financial position of the Enlarged Group after the completion of the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals.

The Unaudited Pro Forma Financial Information of the Enlarged Group after the Acquisition of the First Vessel and the Second Vessel, the Acquisition of the Third Vessel and the Fourth Vessel and the Previous Acquisitions and Disposals should be read in conjunction with the historical financial information of the Group as set out in Appendix I to this circular and other financial information included elsewhere in this circular.

Unaudited Pro Forma Consolidated Statement of Financial Position

	As at 31 December 2025	Pro forma adjustments							Pro forma total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	Note (1)	*Note (2)*	*Note (3)*	*Note (4)*	*Note (5)*	*Note (6)*	*Note (7)*	*Note (8)*	
ASSETS AND LIABILITIES									
Non-current assets									
Property, plant and equipment	2,658,231		102,236	530,400	(155,400)	(149,449)	532,740	530,400	4,049,158
Right-of-use assets	255,630								255,630
Investment properties	251,690								251,690
Financial assets at fair value through OCI	57,719								57,719
Loan receivables	65,812								65,812
Intangible assets	711								711
	3,289,793								4,680,720
Current assets									
Inventories	23,696								23,696
Loan receivables	28,392								28,392
Trade and other receivables	82,355								82,355
Financial assets at fair value through profit or loss	197,464	43,462							240,926
Pledged deposits	556								556
Bank balances and cash	710,399	(43,462)		(265,200)	180,126	185,250	(239,733)	(238,680)	288,700
	1,042,862								664,625
Assets held for sale	102,236		(102,236)						–
	1,145,098								664,625

	As at 31 December 2025				Pro forma adjustments				Pro forma total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	Note (1)	*Note (2)*	*Note (3)*	*Note (4)*	*Note (5)*	*Note (6)*	*Note (7)*	*Note (8)*	
Current liabilities									
Trade and other payables	141,799								141,799
Financial liabilities at fair value through profit or loss	2,295								2,295
Borrowings, secured	173,525			11,707			19,978	19,890	225,100
Lease liabilities	128,422								128,422
	446,041								497,616
Non-current liabilities									
Borrowings, secured	839,204			253,493			273,029	271,830	1,637,556
Lease liabilities	152,865								152,865
	992,069								1,790,421
Net assets	2,996,781								3,057,308
EQUITY									
Equity attributable to shareholders of the Company									
Issued capital	381,639								381,639
Reserves	1,287,494				24,726	35,801			1,348,021
	1,669,133								1,729,660
Non-controlling interests	1,327,648								1,327,648
Total equity	2,996,781								3,057,308

Notes to the Unaudited Pro Forma Financial Information:

(1) The amounts are extracted from the audited consolidated statement of financial position of the Group as at 31 December 2025 as set out in the published annual report of the Group for the year ended 31 December 2025.

(2) The adjustment reflects the acquisition of four equity linked fixed coupon notes as announced by the Company on 5 January 2026 and 6 January 2026. The increase in financial assets at fair value through profit or loss represents the total principal amount of CNY39 million (approximately HK$43.46 million).

(3) The adjustment reflects the cancellation notice as per announcement of the Company dated 23 January 2026 regarding the disposal of vessel entered into in December 2025.

(4) The adjustment reflects the acquisition of two vessels as announced by the Company on 11 February 2026. The increase in property, plant and equipment represents the total contract price of the two vessels of US$68 million (approximately HK$530.40 million). Approximately 50% of the total contract price of the two vessels of US$34 million (approximately HK$265.20 million) will be paid from a three-year term loan, thus the Group's current liabilities will be increased by US$1.50 million (approximately HK$11.71 million) and non-current liabilities will be increased by US$32.50 million (approximately HK$253.49 million). The remaining amount of US$34 million (approximately HK$265.20 million) will be paid from the internal resources of the Group.

(5) The adjustment reflects the disposal of a vessel at a consideration of US$23.46 million (approximately HK$182.95 million) as announced by the Company on 6 March 2026. The decrease in property, plant and equipment represents the unaudited net book value of the vessel of US$19.92 million (approximately HK$155.40 million) as of 31 December 2025. Upon delivery of the vessel, the Group would realize an estimated book gain of approximately HK$24.70 million.

(6) The adjustment reflects the disposal of a vessel at a consideration of US$24 million (approximately HK$187.20 million) as announced by the Company on 20 March 2026. The decrease in property, plant and equipment represents the unaudited net book value of the vessel of US$19.16 million (approximately HK$149.45 million) as of 31 January 2026. Upon delivery of the vessel, the Group would realize an estimated book gain of approximately HK$35.80 million.

(7) The increase in property, plant and equipment represents the total contract price of the First Vessel and the Second Vessel of US$68.30 million (approximately HK$532.74 million). Approximately 55% of the total contract price of the two vessels of US$37.57 million (approximately HK$293.01 million) will be paid from an eight-year term loan, thus the Group's current liabilities will be increased by US$2.56 million (approximately HK$19.98 million) and non-current liabilities will be increased by US$35.01 million (approximately HK$273.03 million). The remaining amount of US$30.73 million (approximately HK$239.73 million) will be paid from the internal resources of the Group.

(8) The increase in property, plant and equipment represents the total contract price of the Third Vessel and the Fourth Vessel of US$68 million (approximately HK$530.40 million). Approximately 55% of the total contract price of the two vessels of US$37.40 million (approximately HK$291.72 million) will be paid from an eight-year term loan, thus the Group's current liabilities will be increased by US$2.55 million (approximately HK$19.89 million) and non-current liabilities will be increased by US$34.85 million (approximately HK$271.83 million). The remaining amount of US$30.60 million (approximately HK$238.68 million) will be paid from the internal resources of the Group.

(9) As at 31 May 2026, the Group had unutilized banking facilities of about HK$515 million. Together with net cash inflows from operating activities, the Group does not require additional loan financing other than those disclosed.

(10) No adjustment has been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2025 apart from those adjustments as disclosed in notes (2) – (8).

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

TO THE DIRECTORS OF JINHUI HOLDINGS COMPANY LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Jinhui Holdings Company Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated financial statement of position as at 31 December 2025 and related notes as set out on pages 42 to 46 of the Company's circular dated 16 July 2026 (the "Circular"). The applicable criteria on the basis of which the directors have compiled the unaudited pro forma financial information are described on pages 42 to 46 of the Circular.

The unaudited pro forma financial information has been compiled by the directors to illustrate the impact of the acquisition of four vessels (the "Transactions") and previous acquisition of equity linked fixed coupon notes and acquisition and disposal of vessels after 31 December 2025 (the "Previous Transactions") on the Group's financial position as at 31 December 2025 as if the Transactions and Previous Transactions had taken place at 31 December 2025. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's audited consolidated interim financial statements for the year ended 31 December 2025 on which an auditor's report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "*Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars*" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion
In our opinion:

(a) the unaudited pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Grant Thornton Hong Kong Limited
Certified Public Accountants
11th Floor
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16 July 2026

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PRIVATE AND CONFIDENTIAL

The Board of Directors
Jinhui Holdings Company Limited
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16 July 2026

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Dear Sirs,

Jinhui Holdings Company Limited (the "Company") and its subsidiaries (the "Group")
Very substantial acquisition in relation to acquisition of four vessels

Consent Letter

We refer to the circular dated 16 July 2026 in connection with the acquisition of two deadweight 64,500 metric tonnes type bulk carriers and two 64,100 metric tonnes type bulk carriers to be delivered on or before 31 December 2030 and 31 May 2030/30 June 2030 respectively (the "Circular") and a copy of which is attached and initialled by us on its front cover for identification purposes.

We hereby consent to the issue of the Circular with the inclusion of our independent reporting accountant's assurance report on the compilation of unaudited pro forma financial information of the Group dated 16 July 2026, and the references to our name in the form and context in which they are included.

This consent should not be construed as in any way updating or refreshing the aforementioned reports nor do we accept responsibility for such report beyond that owed to those to whom the report was addressed by us at the date of its issue.

Yours faithfully,

Grant Thornton Hong Kong Limited