



**Registration of a Charge**

Company name: **BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED**

Company number: **05886419**



X9HQMNR6

Received for Electronic Filing: **13/11/2020**

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**Details of Charge**

Date of creation: **12/11/2020**

Charge code: **0588 6419 0008**

Persons entitled: **XIANG CH25 HK INTERNATIONAL SHIP LEASE CO., LIMITED AS OWNER**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **WE HEREBY CERTIFY THAT SAVE FOR MATERIAL REDACTED IN ACCORDANCE WITH TO S.859G OF THE COMPANIES ACT 2006, THIS DOCUMENT IS A TRUE COPY OF THE ORIGINAL.**

Certified by: **WATSON FARLEY & WILLIAMS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 5886419

Charge code: 0588 6419 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th November 2020 and created by BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th November 2020 .

Given at Companies House, Cardiff on 16th November 2020

The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under section 1115 of the Companies Act 2006




**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

We hereby certify that save for the material redacted in accordance with s859G of the Companies Act 2006, this document is a true copy of the original.

  
Kong Tsz Tung  
Solicitor, Hong Kong SAR  
Watson Farley & Williams LLP  
Suites 4610-4619, Jardine House  
1 Connaught Place, Hong Kong

**EXECUTION VERSION**

**SUB-MANAGER'S UNDERTAKING**

To: **XIANG CH25 HK INTERNATIONAL SHIP LEASE CO., LIMITED**  
1/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong

From: **BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED**  
3 Hedley Court, Orion Business Park, Newcastle Upon Tyne, NE29 7ST United Kingdom

12 November 2020

Dear Sirs

m.v. "ARISTOS I" (the "Vessel")

**1 BACKGROUND**

**1.1 Entry into Bareboat Charter**

We refer to:

- (a) the bareboat charter dated 21 August 2020 (the "**Bareboat Charter**") and made between (i) **XIANG CH25 HK INTERNATIONAL SHIP LEASE CO., LIMITED** as owners (the "**Owner**") and (ii) **ASSOS GAS CARRIER CORP.** as bareboat charterers (the "**Bareboat Charterer**") in respect of the Vessel; and
- (b) the management agreement dated 25 October 2019 and made between (i) the Bareboat Charterer as owner and (ii) **BERNHARD SCHULTE SHIPMANAGEMENT (CYPRUS) LIMITED** as crew and technical manager (the "**Head Manager**") in respect of the Vessel.

**1.2 Charter of Vessel**

Subject to and upon the terms of the Bareboat Charter, the Owner has agreed to charter the Vessel to the Bareboat Charterer.

**1.3 Entry into Letter of Undertaking**

We have been advised by the Bareboat Charterer that one of the conditions to the Owner chartering the Vessel to the Bareboat Charterer is that we enter into this Letter of Undertaking in favour of the Owner in respect of the Vessel.

**2 DEFINITIONS**

**2.1 In this Letter of Undertaking:**

"**Business Day**" means a day on which banks are open for business in the principal business centres of Athens, Shanghai, Hong Kong and London and, in respect of a day on which a payment is required to be made or other dealing is due to take place under this Letter of Undertaking in Dollars, also a day on which commercial banks are open in New York.

**"Earnings"** means all moneys whatsoever which are now, or later become, payable (actually or contingently) and which arise out of the use or operation of the Vessel, including (but not limited to):

- (a) all freight, hire and passage moneys, compensation payable in the event of requisition of the Vessel for hire, remuneration for salvage and towage services, demurrage and detention moneys and damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of the Vessel; and
- (b) if and whenever the Vessel is employed on terms whereby any moneys falling within paragraph (a) are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Vessel;

**"Insurances"** means:

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

**"Parties"** means us and the Owner.

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

**"Security Interest"** means:

- (a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien, assignment, hypothecation, or any other security interest of any kind or any other agreement or arrangement having the effect of conferring a security interest;
- (b) the security rights of a plaintiff under an action *in rem*; or
- (c) any other right which confers on a creditor or potential creditor a right or privilege to receive the amount actually or contingently due to it ahead of the general unsecured creditors of the debtor concerned; however this paragraph (c) does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution.

**"Total Loss"** means:

- (a) actual, constructive, compromised, agreed or arranged total loss of the Vessel;
- (b) any expropriation, confiscation, requisition or acquisition of the Vessel, whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected by any government or official authority or by any person or persons claiming to be or to represent a government or official

authority (excluding a requisition for hire for a fixed period not exceeding thirty (30) days without any right to an extension) unless it is redelivered within thirty (30) days to the full control of the Owner or the Bareboat Charterer; or

- (c) any arrest, capture, seizure or detention of the Vessel (including any hijacking or theft but excluding any event specified in paragraph (b) of this definition) unless it is redelivered within thirty (30) days to the full control of the Owner or the Bareboat Charterer.

### **3 CONFIRMATION OF APPOINTMENT, ETC.**

#### **3.1 Confirmation of appointment**

We confirm that we have been appointed by the Head Manager as the sub-manager of the Vessel on the terms of a sub-ship management agreement dated 25 October 2019 (the "Management Agreement") a copy of which is attached as Appendix 1 to this Letter of Undertaking.

#### **3.2 Certification**

We certify that the attached copy of the Management Agreement is correct, complete and in full force and effect and that no addenda or supplements to it exist as at the date of this Letter of Undertaking.

### **4 UNDERTAKINGS**

#### **4.1 General**

In consideration of the Owner granting its approval to our appointment as the sub-manager of the Vessel, we irrevocably and unconditionally undertake with the Owner as follows in this Clause 4 (*Undertakings*).

#### **4.2 No amendments or supplements**

We shall not materially amend or supplement the Management Agreement, including but not limited to fees and general management expenses, without prior written consent from the Owner.

#### **4.3 Subordination of claims**

All claims of whatsoever nature which we have or may at any time after the date of this Letter of Undertaking have against or in connection with the Vessel, the Earnings, the Insurances or any Requisition Compensation or against the Head Manager or the Bareboat Charterer shall rank after and be in all respects subordinate to all of the rights and claims of the Owner.

#### **4.4 No exercise of rights**

We shall not take any step to exercise or enforce any right or remedy which we now or at any later time have under the Management Agreement or under any applicable law against the Head Manager, the Bareboat Charterer or the Vessel, the Earnings, the Insurances or any Requisition Compensation.

#### **4.5 No legal proceedings**

We shall not, without thirty (30) days' prior written notice to you, institute any legal or administration action or any quasi-legal proceedings under any applicable law at any time after the date of this Letter of Undertaking against the Vessel, the Earnings, the Insurances or any Requisition Compensation or against the Head Manager or the Bareboat Charterer in any capacity.

#### **4.6 Non-compete**

We shall not compete with the Owner in a liquidation or other winding-up or bankruptcy of the Head Manager or the Bareboat Charterer or in any legal or administration action or any quasi legal proceedings in connection with the Vessel, the Earnings, the Insurances or any Requisition Compensation.

#### **4.7 Delivery of documents**

We shall upon the Owner's first written request deliver to the Owner all documents of whatever nature which we hold in connection with the Bareboat Charterer, the Vessel, the Earnings, the Insurances or any Requisition Compensation.

#### **4.8 Continuation of management**

We shall not terminate the Management Agreement without giving the Owner thirty (30) days' prior written notice of our intention so to do.

#### **4.9 Restriction on incompatible actions**

We shall not do or omit to do or cause anything to be done or omitted which might be contrary to or incompatible with the obligations undertaken by the us under this Letter of Undertaking.

#### **4.10 Execution of necessary insurance consents**

We shall sign any consent required by any approved broker and/or any approved underwriters which they may require so that the Owner can collect or recover any moneys payable in respect of the Insurances.

#### **4.11 No extension of credit**

We shall not, without the Owner's prior written consent, extend any credit to the Head Manager or the Bareboat Charterer, whether in respect of our fees, general management expenses, victualling or other disbursements on behalf of the Head Manager or the Bareboat Charterer, whether pursuant to the Management Agreement or otherwise.

#### **4.12 Notification of events concerning any sub charter**

We shall notify the Owner of any dispute under any sub-charter, or any event or circumstance which might lead to the termination of any sub-charter.

#### **4.13 Occurrence of termination event**

Upon notice from the Owner that a termination event under the Bareboat Charter has occurred and upon receipt of written notice from the Owner to do so, we will move the Vessel

to such places as the Owner shall direct in such notice and will immediately deliver possession of the Vessel to the Owner or a third party as specified by the Owner in accordance with the Owner's written instructions and upon our receipt of confirmation from the Owner that the Owner wishes to change and appoint a new manager of the Vessel, our appointment as managers of the Vessel shall cease immediately under the Management Agreement.

## **5 INSURANCES**

### **5.1 General**

Notwithstanding that we are or may be named as an assured under any Insurances, we confirm that our interest is limited as follows in this Clause 5 (*Insurances*).

### **5.2 Hull and machinery and war risks**

In respect of any Insurances for hull and machinery and war risks, our interest is limited:

- (a) to any provable out-of-pocket expenses that we have incurred and which form part of any recoverable claim on underwriters; and
- (b) to any third party liability claims where cover for such claims is provided by the policy and then only in respect of discharge of any claims made against us.

### **5.3 Protection and indemnity risks**

In respect of any Insurances for protection and indemnity risks, our interest is limited to any recoveries we are entitled to make by way of reimbursement following discharge of any third party liability claims made specifically against us.

### **5.4 Deductibles**

We agree that any deductible shall be apportioned between us and the Bareboat Charterer (and/or the Owner where it is named assured) in proportion to the gross claims made or paid by each party.

## **6 INSURANCES ASSIGNMENT**

### **6.1 Assignment**

By way of security for the due and punctual discharge of our obligations to the Owner under this Letter of Undertaking, we, with full title guarantee, hereby irrevocably and unconditionally assign and agree to assign to the Owner all of our rights, title and interest in and to all the benefits of the Insurances relating to the Vessel.

### **6.2 Notice**

- (a) We hereby undertake to immediately after the execution of this Letter of Undertaking, and otherwise upon the written request of the Owner from time to time, procure that a duly completed notice in the form substantially as set out in Part A (*Notice of Assignment*) of Appendix 2 (*Notice of Assignment and Loss Payable Clause*) be given to all insurers, brokers and associations of the Vessel and to procure that such notice is promptly endorsed on all policies and entries in respect of the Insurances relating to the Vessel and agrees promptly to authorise and/or instruct such broker, insurer or association with or through whom Insurances

of the Vessel may be effected to endorse on any policy or entry or otherwise to give effect to the loss payable clause in the relevant form set out in Part B (*Loss Payable Clause*) of Appendix 2 (*Notice of Assignment and Loss Payable Clause*).

- (b) We ensure that the Owner will receive, in the case of the Insurances, evidence that the relevant loss payable clause has been endorsed on each policy by no later than the third (3rd) Business Day after the execution of this Letter of Undertaking, and otherwise, a signed acknowledgement from the relevant person in such form as may be required by the Owner within such timescale as the Owner may specify.
- (c) We undertake to sign any consent required by any approved broker and/or any approved underwriters which they may require so that the Owner can collect or recover any moneys payable in respect of our rights to, in or in connection with the Insurances as assigned to the Owner under this Letter of Undertaking.

### **6.3 Re-assignment**

The Owner shall, at our cost and following our prior written request, re-assign to us all our rights, title and interest in the Insurances relating to the Vessel upon our obligations hereunder being discharged in full to the Owner's satisfaction.

### **6.4 Negative pledge**

We shall not create or permit to subsist any Security Interest over our rights and interests to, in or in connection with, the Insurances.

### **6.5 Disposals**

We shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer or otherwise dispose of our rights and interests to, in or in connection with, the Insurances.

### **6.6 Protection of Owner's interests**

We shall not enter into any transaction, nor do anything, which is contrary to, or which may adversely affect, the Owner's rights under this Letter of Undertaking.

## **7 ENFORCEMENT OF SECURITY**

Upon service of written notice by the Owner to us that the security constituted by this Letter of Undertaking has become enforceable, the Owner shall be entitled at any time or times:

- (a) to exercise the powers possessed by the Owner as assignee of the Insurances conferred by the law of any country or territory in which the Insurances are physically present or deemed to be sited or the courts of which have or claim any jurisdiction in respect of the Vessel or any item of the Insurances; and
- (b) without limiting the scope of the Owner's powers under paragraph (a) above, to exercise the powers possessed by the Owner as a creditor or as a person with a Security Interest in the Insurances conferred by English law.



## **8 POWER OF ATTORNEY**

### **8.1 Appointment**

For the purpose of securing the Owner's interest in the Insurances relating to the Vessel and the due and punctual performance of our obligations to the Owner under this Letter of Undertaking, we irrevocably and by way of security appoint the Owner as our attorney, on our behalf and in our name or otherwise, to execute or sign any document and do any act or thing which we are obliged to do under this Letter of Undertaking upon our failure to effect the same or upon the occurrence of a termination event under the Bareboat Charter.

### **8.2 Ratification of actions of attorney**

For the avoidance of doubt and without limiting the generality of Clause 8.1 (*Appointment*), it is confirmed that we authorise the Owner to execute on our behalf a document ratified by us any transaction or action which the Owner and/or a receiver has purported to enter into or to take and which the Owner considers was or might have been outside his powers or otherwise invalid.

### **8.3 Delegation**

The Owner may sub-delegate to any person or persons (including a receiver and persons designated by him) all or any of the powers (including the discretions) conferred on the Owner by Clause 8.1 (*Appointment*), and may do so on terms authorising successive sub-delegations.

## **9 GOVERNING LAW**

This Letter of Undertaking and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

## **10 ENFORCEMENT**

**10.1** Any dispute arising out of or in connection with this Letter of Undertaking (including a dispute regarding the existence, validity or termination of this Letter of Undertaking or any non-contractual obligation arising out of or in connection with this Letter of Undertaking) (a "**Dispute**") shall be referred to and finally resolved by arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause 10 (*Enforcement*). The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (the "**LMAA**") Terms current at the time when the arbitration proceedings are commenced.

**10.2** The reference shall be to three (3) arbitrators. A Party wishing to refer a Dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other Party requiring the other Party to appoint its own arbitrator within fourteen (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 fourteen (14) days specified. If the other Party does not appoint its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the Party referring a Dispute to arbitration may, without the requirement of any further prior notice to the other Party, appoint its arbitrator as sole arbitrator and shall advise the other Party accordingly. The award of a sole arbitrator shall be binding on both Parties as if the sole 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.

**10.3** Where the reference is to three (3) arbitrators the procedure for making appointments shall be in accordance with the procedure for full arbitration stated above.

**10.4** The language of the arbitration shall be English.

**10.5** We waive any rights of sovereign immunity which we or any of our properties may enjoy in any jurisdiction and subject ourselves to civil and commercial law with respect to our obligations under this Letter of Undertaking.

**THIS LETTER OF UNDERTAKING has been duly executed as a DEED by or on our behalf and has, on the date stated at the beginning of this Letter of Undertaking, been delivered as a Deed.**

EXECUTION PAGE

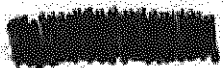

**EXECUTED AND DELIVERED AS A DEED**  
by  
as an attorney-in-fact  
for and on behalf of  
**BERNHARD SCHULTE SHIPMANAGEMENT**  
**(UK) LIMITED**  
in the presence of:

Witness' signature:  
Witness' name:  
Witness' address:

)  
)Neil McNeil  
)  
)  
)  
)  
)  
)  
)  
)Melissa McKendry  
)Dorchester House, Belmont Hill, Douglas,  
Isle of Man

## **APPENDIX 1**

### **COPY OF MANAGEMENT AGREEMENT**

1. Date of Agreement  <p style="text-align: center;"><b>25<sup>th</sup> October 2019</b></p>	<p style="text-align: center;"><b>BERNHARD SCHULTE SHIPMANAGEMENT</b>  <b>Sub-Ship Management Agreement</b>  <b>for LNGC Hull No. H3105 "Aristos I &amp; Hull N.H3106</b>  <b>"Aristidis I"</b></p> <p style="text-align: right;"><b>PART I</b></p>	
2. Managers (name, place of registered office and law of registry) (Cl. 1)  Name <b>BERNHARD SCHULTE SHIPMANAGEMENT (CYPRUS) LIMITED</b>  Place of registered office <b>284 Arch. Makarios III Avenue, Fortuna Court,</b> <b>Block "B", 2<sup>nd</sup> Floor, Limassol</b>  Law of registry <b>CYPRUS</b>	3. Sub-Managers (name, place of registered office and law of registry) (Cl. 1)  Name <b>BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED</b>  Place of registered office <b>3 Hedley Court, Orion Way, Orion Business Park, Newcastle Upon</b> <b>Tyne, NE29 7ST</b>  Law of registry <b>UNITED KINGDOM</b>	
4. Date of commencement of Management Services (Cl. 2) <p style="text-align: center;">From Date of Vessel Takeover by the Sub-Managers</p>		
5. Technical Management (state "yes" or "no" as agreed) (Cl. 3.1)  <p style="text-align: center;">Yes</p>	6. Crew Management (state "yes" or "no" as agreed) (Cl. 3.2)  <p style="text-align: center;">No</p>	
7. Commercial Management (state "yes" or "no" as agreed) (Cl. 3.3)  <p style="text-align: center;">No</p>	8. Insurance Arrangements (state "yes" or "no" as agreed) (Cl. 3.4)  <p style="text-align: center;">No</p>	
9. Accounting Services (state "yes" or "no" as agreed) (Cl. 3.5)  <p style="text-align: center;">Yes</p>	10. Sale or Purchase of the Vessel (state "yes" or "no" as agreed) (Cl. 3.6)  <p style="text-align: center;">No</p>	
11. Provisions (state "yes" or "no" as agreed) (Cl. 3.7)  <p style="text-align: center;">No</p>	12. Bunkering (state "yes" or "no" as agreed) (Cl. 3.8)  <p style="text-align: center;">No</p>	
13. Chartering Services Period (only to be filled in if "yes" stated in Box 7) (Cl. 3.3(ii))  <p style="text-align: center;">N/A</p>	14. Owners' Insurance (state alternative (i), (ii), or (iii) of Cl. 6.3)  <p style="text-align: center;">Clause 6.3 (ii)</p>	
15. Annual Management Fee (state annual amount) (Cl. 8.1)  	16. Severance Costs (state maximum amount)  <p style="text-align: center;">No</p>	
17. Date of termination of Agreement (Cl. 16)  	18. Law and Arbitration (place of arbitration must be stated) (Cl. 18)  <p style="text-align: center;">English law to apply and LMAA arbitration in London</p>	
19. Notices (state postal and cable address, telex, email and fax number for serving notice and communication to the Managers) (Cl. 19)  <b>BERNHARD SCHULTE SHIPMANAGEMENT (CYPRUS) LTD.</b> <b>C/O BERNHARD SCHULTE SHIPMANAGEMENT (HELLAS) SP LLC.</b> <b>6-8 Kifissias Ave., Marousi, Athens, 151 25</b> <b>Email: gr-smc-man@bs-shipmanagement.com</b> <b>Tel: + 30 210 693 0330</b> <b>Fax: + 30 210 693 0333</b>	20. Notices (state postal and cable address, telex, email and fax number for serving notice and communication to the Sub-Managers) (Cl. 19)  <b>BERNHARD SCHULTE SHIPMANAGEMENT (UK) LTD.</b> <b>3 Hedley Court, Orion Way, Orion Business Park</b> <b>Newcastle Upon Tyne, NE29 7ST</b> <b>Email: uk-smc-man@bs-shipmanagement.com</b> <b>Tel: +44 191 29318 20</b> <b>Fax: +44 191 29318 21</b>	
It is mutually agreed between the party mentioned in Box 2 and the party mentioned in Box 3 that this Agreement consisting of PART I and PART II as well as Annexes "A" (Details of Vessel), "B" (Crew Management Agreement), "C" (Budget) and "D" (Associated Vessels) attached hereto, shall be performed subject to the conditions contained herein. In the event of a conflict of conditions, the provisions of PART I and Annexes "A", "B", "C", and "D" and "E" shall prevail over those of PART II to the extent of such conflict but no further.		
Signature(s) (Managers)    Name: THEOPHANIS THEOPHANOUS Designation: MANAGING DIRECTOR	Signature(s) (Sub-Managers)    Name: NEIL MCNEIL Designation: MANAGING DIRECTOR	

## PART II

Bernhard Schulte Shipmanagement – Sub-Ship Management Agreement  
for LNGC Hull No. H3105 "Aristos I" & Hull.No.H3106 "Aristidis I"

## 1. Definitions

In this Agreement save where the context otherwise requires, the following words and expressions shall have the meanings hereby assigned to them:

"Assignee" means means Bernard Schulte Shipmanagement (UK) Limited (of 3 Hedley Court, Orion Business Park, North Shields Tyne & Wear NE29 7ST, United Kingdom) or any other affiliate of the Sub-Managers as may be agreed between the Parties.

"Crew" means the Master, officers and ratings of the numbers, rank and nationality specified in Annex "B" hereto.

"Crew Insurances" means insurances against crew risks which shall include but not be limited to death, sickness, repatriation, injury, shipwreck unemployment indemnity and loss of personal effects.

"Crew Management Agreement" means the agreement to be entered into between the Parties in accordance with Sub-clause 3.2.

"Day" means calendar day unless expressly stated to the contrary

"Data Subject" means any identified or identifiable natural person, including Crew.

"DPR" means any data protection regulations applicable to the parties in relation to the Management Services, including the European Union General Data Protection Regulation (GDPR).

"ISM Code" means the International Management Code for the Safe Operation of Ships and for Pollution Prevention and any subsequent amendment thereto.

"ISPS Code" means the International Code for the Security of Ships and Port Facilities and the relevant amendments to Chapter XI of SOLAS and any subsequent amendment thereto.

"Sub-Managers" means the party identified in Box 3.

"Management Services" means the services specified in Sub-clauses 3.1 to 3.8 as indicated affirmatively in Boxes 5 to 12.

"MLC" means the International Labour Organisation (ILO) Maritime Labour Convention (MLC 2006) and any amendment thereto or substitution thereof.

"Managers" means the party identified in Box 2.

"Parties" means both the Managers and Sub-Managers together and "Party" means either of them.

"Pre-delivery Management Services" means [please insert full details or refer to an Appendix "E" for the same].

"Reasonable and Prudent Operator" means a person seeking, in good faith, to perform its contractual obligations and, in so doing and in the general conduct of its undertaking, exercising that degree or skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator complying with applicable law engaged in the same type of undertaking in the same or similar circumstances and conditions.

"Personal Data" means any information relating to any Data Subject connected with the Management Services.

"Shipowner" shall mean the party named as "shipowner" on the Maritime Labour Certificate for the vessel-Vessel.

"STCW 95" means the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended in 1995 or any subsequent amendment thereto.

"Vessel" means the vessel or vessels details of which are set out in Annex "A" hereto.

"Individuals" means individuals designated by Managers at their discretion that may be seconded to Sub-Managers' premises for any period during the Agreement either for training purposes or for operational activities in relation to matters handled by the Sub-Managers under this agreement

## 2. Appointment of Sub-Managers

With effect from the commencement of the Management Services and continuing unless and until terminated as provided herein, the Managers hereby appoint the Sub-Managers and the Sub-Managers hereby agree to act as the managers of the Vessel in respect of the Management Services.

## 3. Basis of Agreement

Subject to the terms and conditions herein provided, during the period of this Agreement, the Sub-Managers shall carry out Management Services in respect of the Vessel as agents for and on behalf of the Managers. The Sub-Managers shall have authority to take such actions as they may from time to time in their absolute reasonable discretion acting as Prudent Operator, consider to be necessary to enable them to perform the Management Services in accordance with sound ship management practice.

## 3.1 Technical Management

(only applicable if agreed according to Box 5)

The Sub-Managers shall provide technical management which includes, but is not limited to, the following functions:

- (i) ensuring that the Vessel complies with the requirements of the law of the Flag State;
- (ii) compliance with the ISM Code;
- (iii) compliance with the ISPS Code;
- (iv) provision of competent personnel to supervise the maintenance and general efficiency of the Vessel; (Managers to be provided in advance with *curricula vitae* of personnel with day-to-day responsibility for the Vessel);
- (v) preparation of specification, getting pricing, arrangement and supervision of dry dockings, repairs, alterations and the maintenance of the Vessel to the standards agreed with the Managers from time to time, provided that the Sub-Managers shall be entitled to incur the necessary expenditure to ensure that the Vessel will comply with all requirements and recommendations of the classification society, and with the law of the Flag State of the Vessel and of the places where the Vessel is required to trade;
- (vi) arrangement of the supply of necessary stores, spares and lubricating oil Managers may also elect to supply certain items themselves;
- (vii) appointment of surveyors and technical consultants as the Sub-Managers may consider from time to time to be necessary;
- (viii) development, implementation and maintenance of a Safety Management System (SMS) in accordance with the ISM Code (see Sub-clause 4.2);
- (ix) arrangement of the sampling and testing of bunkers; and
- (x) installation of Sub-Managers' planned maintenance system (PMS) software onboard the Vessel (subject to Managers' prior approval of the software) and providing Managers with means of access to PMS data entries. The reasonable costs of installing the PMS software on board the Vessel [and, if requested by Managers, at Managers' premises] is for on Managers' account.
- (xi) subject to Clause 3 and, the Managers shall to the extent of their obligations to provide Management Services, assume the Shipowner's duties and responsibilities imposed by the MLC for the vessel, on behalf of the Managers (where any costs associated thereto are not included within or exceed the provisions made for them within the annual budget by more than US\$ Sub-Managers shall seek Managers' approval before incurring such costs);

## PART II

Bernhard Schulte Shipmanagement – Sub-Ship Management Agreement  
for LNGC Hull No. H3105 "Aristos I" & Hull.No.H3106 "Aristidis I"

- 140 (xii) training and supervising Individuals in relation to the  
141 activities and responsibilities that comprise the  
142 Management Services; and  
143 (xiii) training of Individuals in relation to the Manager's ISM  
144 Code compliant 'Safety Management Systems',  
145 reporting lines and emergency procedures.  
146 (xiv) Any items outside budget exceeding US to be  
147 prior approved by Managers.  
148 **3.2—Crew Management**  
149 ~~(only applicable if agreed according to Box 6)~~  
150 Upon entering into this Agreement, The the Managers shall  
151 provide suitable and qualified Crew for the Vessel as required  
152 by the Owners in accordance with the STCW requirements on  
153 the terms attached hereto as per Annex "B".  
154 **3.3—Commercial Management**  
155 ~~(only applicable if agreed according to Box 7)~~  
156 The Managers shall provide the commercial operation of the  
157 Vessel, as required by the Owners, which includes, but is not  
158 limited to, the following functions:  
159 (i) ~~providing chartering services in accordance with the~~  
160 ~~Owners' instructions which include, but are not limited to,~~  
161 ~~seeking and negotiating employment for the Vessel~~  
162 ~~and the conclusion (including the execution thereof) of~~  
163 ~~charter parties or other contracts relating to the~~  
164 ~~employment of the Vessel. If such a contract exceeds~~  
165 ~~the period stated in Box 13, consent thereto in writing~~  
166 ~~shall first be obtained from the Owners;~~  
167 (ii) ~~arranging of the proper payment to Owners or their~~  
168 ~~nominees of all hire and/or freight revenues or other~~  
169 ~~moneys of whatsoever nature to which Owners may be~~  
170 ~~entitled arising out of the employment of or otherwise in~~  
171 ~~connection with the Vessel;~~  
172 (iii) ~~providing voyage estimates and accounts and~~  
173 ~~calculating of hire, freight, demurrage and/or despatch~~  
174 ~~moneys due from or due to the charterers of the Vessel;~~  
175 (iv) ~~issuing of voyage instructions;~~  
176 (v) ~~appointing agents;~~  
177 (vi) ~~appointing stevedores; and~~  
178 (vii) ~~arranging surveys associated with the commercial~~  
179 ~~operation of the Vessel.~~  
180 **3.4—Insurance Arrangements**  
181 ~~(only applicable if agreed according to Box 8)~~  
182 The Managers shall arrange insurances in accordance with  
183 Clause 6 and the reasonable instructions of the Owners.  
184 **3.5 Accounting Services**  
185 ~~(only applicable if agreed according to Box 9)~~  
186 The Sub-Managers shall:  
187 (i) establish an accounting system which meets the  
188 reasonable requirements of the Managers and provide  
189 regular accounting services, supply regular reports and  
190 records; and  
191 (ii) maintain the records of all costs and expenditure  
192 incurred as well as data necessary or proper for the  
193 settlement of accounts between the parties Parties.  
194 **3.6—Sale or Purchase of the Vessel**  
195 ~~(only applicable if agreed according to Box 10)~~  
196 The Managers shall, in accordance with the Owners'  
197 instructions, supervise the sale or purchase of the Vessel,  
198 including the performance of any sale or purchase  
199 agreement, but not negotiation of the same.  
200 **3.7—Provisions (only applicable if agreed according to Box 11)**  
201 ~~The Managers shall arrange for the supply of provisions.~~  
202 **3.8—Bunkering (only applicable if agreed according to Box 12)**  
203 The Managers shall arrange for the provision of bunker fuel  
204 of the quality specified by the Owners as required for the  
205 Vessel's trade.  
206 **3.9 Dedicated Procurement**  
207 (i) Upon in addition to the Sub-Managers' right to act as  
agent for an on behalf of Managers, the Managers grant  
210 agreements with third- parties for the supply of marine  
211 products and services required for the vessel, as  
212 negotiated, established and maintained by dedicated  
213 Supply Chain Management company GP General  
214 Procurement Company Limited, a company duly  
215 registered with company registration number HE  
216 367723 under the laws of Cyprus with its address at 21  
217 Spyrou Kyprianou Avenue, 4042 Limassol,  
218 Cyprus (GENPRO).  
219 (ii) The Sub-Managers advise that GENPRO:  
220 (a) is a joint maritime procurement company which  
221 carries out the business of negotiating worldwide  
222 framework supply contracts on behalf of major  
223 shipmanagers, ship owners and ship operators,  
224 by utilizing the scale and scope of combining the  
225 procurement volumes of multiple large fleets;  
226 (b) obtains the leverage to achieve prices decidedly  
227 better than obtainable by any single fleet of  
228 vessels alone; and  
229 (c) as well as achieving lower list prices for its  
230 customers, will collect volume rebates from  
231 suppliers and forward all of them without any  
232 deductions to our customers vessels.  
233 (d) is managed by a diverse and highly motivated  
234 team of procurement professionals, who will  
235 gather the business intelligence as well as collect  
236 and process data required for optimal supply  
237 chain management negotiations, while working  
238 with the participating fleet teams in order to  
239 improve volume concentration at contracted  
240 suppliers as well as optimizing warehousing and  
241 transport solutions.  
242 (e) for its value adding service, most notably the  
243 access to the far increased fleet size will charge  
244 suppliers an arrangement fee towards its costs.  
The procurement of goods & services continues  
to be done by the Managers' as agents for an on  
behalf of Owners, based on GENPRO  
negotiated, established and maintained  
contracts. The Sub-Managers shall make a copy  
of the agreement entered into on behalf of  
Owners with GENPRO, available to Managers,  
without undue delay, upon Managers' request  
The Sub-Managers shall have the right, to  
terminate any supply and procurement  
agreement with a third party and replace  
GENPRO or the respective third-party and shall  
promptly notify the Managers of such  
replacement.  
245 **4. Sub-Managers' Obligations**  
246 **4.1** The Sub- Managers undertake to exercise all reasonable care  
247 and skill in providing the agreed Management Services as  
248 agents for and on behalf of the Managers in accordance with  
249 sound ship management practice and to protect and promote  
250 the interests of the Managers in all matters relating to the  
251 provision of services hereunder.  
252 Provided, however, that the Sub-Managers in the  
253 performance of their management responsibilities under this  
254 Agreement shall be entitled to have regard to their overall  
255 responsibility in relation to all vessels as may from time to time  
256 be entrusted to their management and in particular, but  
257 without prejudice to the generality of the foregoing, the Sub-  
258 Managers shall be entitled to allocate available supplies,  
259 manpower and services in such manner as in the prevailing  
260 circumstances the Sub-Managers in their absolute discretion  
261 consider to be fair and reasonable.  
262 **4.2** Where the Sub-Managers are providing Technical  
263 Management in accordance with Sub-clause 3.1, they shall  
264 procure that the requirements of the law of the Flag State of

**PART II**  
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the responsibility for the operation of the Vessel and taking over the duties and responsibilities imposed by the ISM Code when applicable. The Sub-Managers confirm that up to a maximum of four (4) individuals designated by Managers at their discretion may be seconded to Sub-Manager's premises for any period during the Agreement ~~either for operational activities in relation to matters handled by the Managers under this Agreement or training purposes.~~ The individuals will have full access to any and all documents and information relating to the management and the affairs of the vessel Vessel. Notwithstanding such an arrangement, Sub-Managers are aware that Individuals will at all times throughout this Agreement operate under the Sub-Managers' supervision and according to the Sub-Managers' instruction. To that effect, Managers hereby undertake to instruct the Individuals to follow any instructions and procedures of the Sub-Managers during the time they spend at the Managers' premises. Therefore, Sub-Managers have the overall and full responsibility for the Management Services as provided under this Agreement and the Individuals, despite being employed by Managers, are deemed to be Sub-Manager's personnel and to act as Sub-Manager's servants throughout the duration of this Agreement. Sub- Manager's shall have the right, without assigning any reason therefor, to prohibit any Individual from continuing his said secondment. Subject to proven compliance of Sub-Managers with Clause 3.1 (xiii) and Clause 3.1 (xiv), the Managers hereby indemnify and agree to hold the Sub-Managers harmless from any liability that may be sustained as a result of any Individual's action or inaction, which is contrary to Sub-Managers written instructions and/or procedures. Managers hereby indemnify and agree to hold the Sub- Managers harmless from any liability that may be sustained as a result of dissemination of any confidential information that may be accessed or be received by such Individual at the Sub-Managers premises during the course of their his secondment.

**5. Managers' Obligations**

- 5.1 The Managers shall pay all sums due to the Sub-Managers punctually in accordance with the terms of this Agreement.
- 5.2 Where the Sub-Managers are providing Technical Management in accordance with Sub-clause 3.1, the Managers shall:
- (i) procure that all officers and ratings supplied by them or on their behalf comply with the requirements of STCW 95;
  - (ii) instruct such officers and ratings to obey all reasonable orders of the Sub-Managers in connection with the operation of the Sub-Managers' Safety Management System.
  - iii) The Managers shall ensure compliance with the MLC in respect of any crew members supplied by them or on their behalf
- 5.3 The Managers shall be liable to the Sub-Managers for a default interest at a LIBOR rate plus 1% per annum on the outstanding amount for non-payment of any money by the Managers to the Sub-Managers under or in connection with this Agreement.
- 5.4 The Managers will consult with the Sub-Managers before they confirm to Charterers compliance of the Vessel as per the requirements of the charter party.
- 5.5 The Managers agree that all disbursement accounts will be submitted to the Sub-Managers within a maximum period of 12 months from the date of occurrence of the relevant costs, otherwise such disbursement accounts may not be accepted by the Sub-Managers. This applies also to disbursement accounts submitted via charterers and/or their agents.
- 5.6 The Managers shall procure, whether by instructing the Sub-Managers under Clause 6 or otherwise, insurance cover or

**6. Insurance Policies**

- The Managers shall procure that Owners throughout the period of this Agreement:
- 6.1 at the Owners' expense, the Vessel is insured for not less than her sound market value or entered for her full gross tonnage, as the case may be for:
- (i) usual hull and machinery marine risks (including crew negligence) and excess liabilities;
  - (ii) protection and indemnity risks (including pollution risks and Crew Insurances); and
  - (iii) war risks (including blocking and trapping, protection and indemnity and crew risks); and
- in accordance with the best practice of prudent owners of vessels of a similar type to the Vessel, with first class insurance companies, underwriters or associations ("the Owners' Insurances").
- 6.2 all premiums and calls on the Owners' Insurances are paid promptly by their due date.
- 6.3 the Owners' Insurances name the Sub-Managers and any third party designated by the Sub-Managers as a joint assured, with full cover, with the Owners obtaining cover in respect of each of the insurances specified in Sub-clause 6.1:
- (i) on terms whereby the Sub-Managers and any such third party are liable in respect of premiums or calls arising in connection with the Owners' Insurances; or
  - (ii) if obtainable, on terms such that neither the Sub-Managers nor any such third party shall be under any liability in respect of premiums or calls arising in connection with the Owners' Insurances; or
  - (iii) on such other terms as may be agreed in writing.
- Indicate alternative (i), (ii) or (iii) in Box 14. If Box 14 is left blank then (i) applies.
- 6.4 that written evidence is provided, to the reasonable satisfaction of the Sub-Managers, of their the Owners' compliance with their obligations under clause Sub-clauses 6.1-6.3 within a reasonable time of the commencement of the Agreement, and of each renewal date and, if specifically requested, of each payment date of the Owners' Insurances.

**~~7. Income Collected and Expenses Paid on Behalf of Owners~~**

- ~~7.1 All moneys collected by the Managers under the terms of this Agreement (other than moneys payable by the Owners to the Managers) and any interest thereon shall be held to the credit of the Owners in a separate bank account.~~
- ~~7.2 All expenses incurred by the Managers under the terms of this Agreement on behalf of the Owners (including expenses as provided in Clause 8) may be debited against the Owners in the account referred to under Sub-clause 7.1 but shall in any event remain payable by the Owners to the Managers on demand.~~

**8. Management Fee**

- 8.1 The Managers shall pay to the Sub-Managers for their services as Sub-Managers under this Agreement an annual management fee as stated in Box 15 which shall be payable by equal calendar-monthly installments in advance, the first and last installment being payable pro rata to balance of the calendar month and the first installment being payable on the commencement of this Agreement (see Clause 2 and Box 4) and subsequent installments being payable every calendar month. If the Sub-Managers' superintendents or other staff spend more than 24 25 days visiting the Vessel in any calendar year (or pro rata of a calendar year), Sub- Managers will subject to Managers' prior approval (not to be unreasonably withheld) charge Managers for such excess days at the rate of US. per day / person.
- 8.2 The annual management fee shall not be subject to an annual



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- 404 year end and the proposed fee shall be presented in the  
405 annual budget referred to in Sub-clause 9.1.
- 406 **8.3** The Owners shall pay to the Managers for their services  
407 rendered before the commencement of the Management  
408 Services a Pre-delivery Management Fee of US\$(-)  
409 (-) on or before the commencement of the Management  
410 Services. The Managers shall pay to the Sub-Managers for  
411 their services rendered before the commencement of the  
412 Management Services a Pre-delivery Management Fee of  
413 US\$(-) the equivalent of two months of the vessel's annual  
414 management fee, which includes attendance fees of the Sub-  
415 Manager's representatives during sea trials and gas trials.  
416 The Sub-Manager's representatives' travel and out of pocket  
417 expenses however are not included and will be charged to  
418 Managers at cost. For shipyard attendance of Sub-Manager's  
419 representatives in addition to the vessel's sea and gas trials  
420 them the respective daily fees will be as follows; US\$  
421 per day for Fleet Director/Fleet Manager, US\$ per day  
422 Technical/Marine Superintendent and US\$ per day  
423 Support Staff (IT/Technical Officer, Fleet Personnel Officer  
424 etc) plus travel and out of pocket expenses to be charged at  
425 cost. Managers will be provided with all supporting  
426 documentation for the mentioned costs for Sub-Manager's  
427 attendance before the commencement of the Management  
428 Services.
- 429 **8.4** The Sub-Managers shall, at no extra cost to the Managers,  
430 provide their own office accommodation, office staff, facilities  
431 and stationery. Without limiting the generality of Clause 7 the  
432 Managers shall reimburse the Sub-Managers for postage and  
433 communication expenses, travelling expenses, and other out  
434 of pocket expenses properly incurred by the Sub-Managers in  
435 pursuance of the Management Services.
- 436 **8.5** In the event of the appointment of the Sub-Managers being  
437 terminated by the Managers or the Sub-Managers in  
438 accordance with the provisions of Clauses 16 and 17 other  
439 than by reason of default by the Sub-Managers, or if the  
440 Vessel is lost, the "management fee" payable to the Sub-  
441 Managers according to the provisions of Sub-clause 8.1, shall  
442 continue to be payable for a further period of three (3) months  
443 as from the termination date.
- 444 **8.6** If the Managers decide to lay-up the Vessel whilst this  
445 Agreement remains in force and such lay-up lasts for more  
446 than three (3) calendar months, an appropriate reduction of  
447 the annual management fee for the period exceeding three  
448 (3) calendar months until one (1) calendar month before the  
449 Vessel is again put into service shall be mutually agreed  
450 between the parties Parties.
- 451 **8.7** Unless otherwise agreed in writing all discounts, rebates and  
452 commissions obtained directly or indirectly by the Sub-  
453 Managers in the course of the management of the Vessel  
454 shall be credited to the Managers. The Sub-Managers will  
455 deduct all costs incurred by them in securing or receiving such  
456 discounts or commissions.
- 457 **8.8** If the Vessel is not taken over by the Sub-Managers, for  
458 whatever reason, Managers are entitled to charge to the  
459 Managers all costs already reasonable incurred in relation to  
460 the intended takeover of the Vessel.
- 461 **9. Budgets and Management of Funds**
- 462 **9.1** The Sub-Managers shall present to the Managers calendar-  
463 yearly an annual budget for each calendar year in such form  
464 as the Managers require. The first budget for part of the first  
465 whole of or more than a complete calendar year is set out in  
466 Annex "C" hereto (the first Budget budget does not include  
467 any upgrading costs which may be agreed upon separately  
468 between the Parties.) and shall be subject to review by both  
469 the Owners and the Managers Parties after three (3) calendar  
470 months from the commencement of the Management  
471 Services (see Clause 2 and Box 4). Subsequent budgets for
- 474 submitted to the Managers no later than the immediately  
475 preceding 31 August for each calendar year October (see  
476 Clause 2 and Box 4) and any proposed revised Annual  
477 Management Fee shall be presented therein.
- 478 **9.2** The annual budget will also be subject to review by both the  
479 parties Parties upon any material change in the Vessel's  
480 trading area, as set out in Annex "C" hereto. The annual  
481 budget will also be automatically adjusted by increase or  
482 decrease to the crew costs as evidenced per by any agreed  
483 addenda to the Crew Management Agreement (Annex "B")  
484 which forms an integral part of this contract.
- 485 **9.3** The Owners shall indicate give notice to the Managers of their  
486 acceptance or rejection and approval of the proposed annual  
487 budget within 45 days one (1) month of presentation and in  
488 the absence of any such indication notification the Managers  
489 shall be entitled to assume that the Owners have accepted  
490 the proposed annual budget. If the Owners refuse to accept  
491 and approve the proposed annual budget the Parties shall  
492 negotiate in good faith to resolve their differences within the  
493 time specified herein. If such negotiations fail and no  
494 agreement is reached, the Managers shall have the right to  
495 terminate this Agreement with immediate effect by giving  
496 notice in writing to Owners, after which this Agreement shall  
497 then terminate two (2) months after receipt of the notice by  
498 Owners or at the expiry of the current budget period  
499 whichever is the later.
- 500 **9.4** Following the agreement of the budget, the Sub-Managers  
501 shall request in writing and the Managers shall remit on a  
502 monthly basis, 1/12<sup>th</sup> of the agreed annual budget (adjusted  
503 with any amount due to/from the Sub-Managers as per the  
504 monthly cash position of the Vessel submitted to Managers  
505 by the Sub-Managers) for the Vessel not later than the 5<sup>th</sup> day  
506 of each calendar month, into the account of the Sub-  
507 Managers free of all expenses and bank charges. The Sub-  
508 Managers shall also request funds for occasional or  
509 extraordinary items of expenditure, provided same have been  
510 discussed and agreed with Managers, such as emergency  
511 repair costs or provisions outside the agreed budget as  
512 agreed between Managers and Sub-Managers and Managers  
513 shall remit such funds agreed in advance. All remittances to  
514 the Sub-Managers should be made to the bank account no  
515 Account Number  
516 with The Royal Bank of Scotland,  
517 Chatham Branch, SWIFT.
- 518 **9.5** The Managers agree and undertake, for so long as any  
519 amount due to the Sub-Managers under the Agreement  
520 remains outstanding that they shall not sell or transfer or  
521 otherwise dispose of the Vessel or any share therein without  
522 having the Sub-Managers informed timely prior to such sale  
523 or transfer and that a claim by the Sub-Managers for such  
524 amount may be made and be enforceable against the  
525 Managers and/or the Vessel, being a claim in respect of any  
526 outstanding accounts payable to the Sub-Managers, including  
527 management fees and disbursements incurred by the Sub-  
528 Managers, as Agent, on account of the Vessel and/or in  
529 respect of goods or materials and services supplied to the  
530 Vessel for her operation or maintenance and/or in respect of  
531 the repair of equipment of the Vessel.
- 532 **9.6** The Sub-Managers shall produce a comparison between  
533 budgeted and actual income and expenditure of the Vessel in  
534 such form as required by the Managers monthly or at such  
535 other intervals as mutually agreed Such comparisons to  
536 include an up-to-date estimate for the full period of the current  
537 calendar year and the Managers' explanations for any  
538 deviation larger than 5% or US\$1 (whichever is larger)  
539 for any items of the annual budget.
- 540 **9.7** Notwithstanding anything contained herein to the contrary,  
541 the Sub-Managers shall in no circumstances be required to  
542 use or commit their own funds to finance the provision of the

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(i) The Managers agree to remit on commencement of the Agreement a "working fund" of US\$ which shall be kept in the bank account of the Sub-Managers. The Managers shall maintain the working fund in balance of US\$ as per the Cash Position Statement issued by the Sub-Managers.

(ii) All interest earned less any charges on the working fund shall be for the account of the Managers. Upon termination of the Agreement the balance of the working fund, if any, shall be returned to the Managers.

(iii) If the Managers have more than one Vessel under a management agreement with the Sub-Managers then the Managers herewith agree that the working fund placed with the Sub-Managers for each individual vessel amounting to US\$ per vessel may be used by the Sub-Managers wholly or partly for each one or all vessels under management with the Sub-Managers. The Managers agree to maintain the said working funds in accordance with the Cash Position Statements issued by the Sub-Managers such that at any time the said working funds are not less than a minimum of US\$ for each Vessel.

## 10. Sub-Contracting and Assignment

## 10.1 Sub-Managers' Right to Sub-Contract

The Sub-Managers shall not have the right to sub-contract any of their obligations hereunder to non associated companies without the prior written consent of the Managers which shall not be unreasonably withheld. In the event of such a sub-contract the Sub-Managers shall remain fully liable responsible for the due performance of their obligations under this Agreement and all acts, omissions or defaults of the sub-contractor as fully as if they were the acts, omissions or defaults of the Sub-Managers.

## 10.2 Assignment

If requested in writing by the Managers the Sub-Managers shall assign, transfer or novate this Agreement to the Assignee on terms reasonably acceptable to Managers such that the arrangements under this Agreement shall have been replicated including as to the structure and organisation of the Sub-Managers at the time of such assignment or novation including the experience and expertise of the management and staff. Any legal costs and expenses reasonably incurred in connection with any assignment or novation under this Sub-clause 10.2 are to be borne by the Managers.

10.3 Subject to Sub-clause 10.2 neither Party shall otherwise assign or novate this Agreement, without the written consent of the other Party, such consent not to be unreasonably withheld.

## 11. Responsibilities

11.1 **Force Majeure** - Neither party shall be liable for any loss, damage or delay due to any of the following force majeure events and/or conditions to the extent the party invoking force majeure is prevented or hindered from performing any or all of their obligations under this Agreement, provided they have made all reasonable efforts to avoid, minimize or prevent the effect of such events and/or conditions:

- (i) acts of God;
- (ii) any Government requisition, control, intervention, requirement or interference;
- (iii) any circumstances arising out of war, threatened act of war or warlike operations, acts of terrorism, sabotage or piracy, or the consequences thereof;
- (iv) riots, civil commotion, blockades or embargoes;
- (v) epidemics;
- (vi) earthquakes, landslides, floods or other extraordinary weather conditions;
- (vii) strikes, lockouts or other industrial action, unless limited to the employees (which shall not include the Crew) of

- (viii) fire, accident, explosion except where caused by negligence of the party seeking to invoke force majeure;
- (ix) any other similar cause beyond the reasonable control of either party.

11.2 **Liability to Managers** - Without prejudice to Sub-clause 11.1, the Sub-Managers shall be under no liability whatsoever to the Managers for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect, (including but not limited to loss of profit arising out of or in connection with detention of or delay to the Vessel) and howsoever arising in the course of performance of the Management Services **UNLESS** same is proved to have resulted solely from the negligence, gross negligence or wilful default of the Sub-Managers or their employees, or agents or sub-contractors employed by them in connection with the Vessel, in which case (save where loss, damage, delay or expense has resulted from the Sub-Managers' personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result) the Sub-Managers' liability for each incident or series of incidents giving rise to a claim or claims shall never exceed a total of ten (10) times the annual management fee payable hereunder.

11.3 **Indemnity** - Except to the extent and solely for the amount therein set out that the Sub-Managers would be liable under Sub-clause 11.2, the Managers hereby undertake to keep the Sub-Managers and their employees, agents and sub-contractors indemnified and to hold them harmless against all actions, proceedings, claims, demands or liabilities whatsoever or howsoever arising which may be brought against them or incurred or suffered by them arising out of or in connection with the performance of the Agreement, and against and in respect of all costs, losses, damages and expenses (including legal costs and expenses on a full indemnity basis) which the Sub-Managers may suffer or incur (either directly or indirectly) in the course of the performance of this Agreement.

11.4 **"Himalaya"** - It is hereby expressly agreed that no employee or agent of the Sub-Managers (including every sub-contractor from time to time employed by the Sub-Managers) shall in any circumstances whatsoever be under any liability whatsoever to the Managers for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on his part while acting in the course of or in connection with his employment and, without prejudice to the generality of the foregoing provisions in this Clause 11, every exemption, limitation, condition and liberty herein contained and every right, exemption from liability, defence and immunity of whatsoever nature applicable to the Sub-Managers or to which the Sub-Managers are entitled hereunder shall also be available and shall extend to protect every such employee or agent of the Sub-Managers acting as aforesaid and for the purpose of all the foregoing provisions of this Clause 11 the Sub-Managers are or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of all persons who are or might be their servants or agents from time to time (including sub-contractors as aforesaid) and all such persons shall to this extent be or be deemed to be parties to this Agreement.

## 12. General Administration

12.1 ~~The Managers shall keep the Owners informed in a timely manner of any incident of which~~ If the Sub-Managers become aware of any incident which gives or may give rise to delays to the Vessel, fines or claims or disputes involving third parties, they shall inform the Managers without delay and within six (6) hours of the Sub-Managers' awareness of the incident.

12.2 The Sub-Managers shall, on behalf of Managers handle and

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- 684 12.3 The Sub-Managers shall, as instructed by Managers, bring or  
685 defend actions, suits or proceedings in connection with  
686 matters entrusted to the Sub-Managers according to this  
687 Agreement, on terms to be agreed.
- 688 12.4 The Sub-Managers shall also have power to obtain legal or  
689 technical or other outside expert advice in relation to the  
690 handling and settlement of claims and disputes or all other  
691 matters affecting the interests of the Managers in respect of  
692 the Vessel.
- 693 12.5 On giving reasonable notice, the Managers may request, and  
694 the Sub-Managers shall make available all documentation  
695 and records in respect of the matters covered by this  
696 Agreement either related to statutory rules or regulations or  
697 other obligations (including but not limited to the ISM Code  
698 and ISPS Code) or to bring or defend claims against or by  
699 third parties. The Managers shall make available, upon the  
700 Sub-Managers' request, information or documents required  
701 by the Ship Security Plan and/ or by the ISPS Code.
- 702 12.6 The Managers shall arrange for the provision of any  
703 necessary guarantee bond or other security.
- 704 12.7 Any costs reasonably incurred by the Sub-Managers in  
705 carrying out their obligations according to this Clause 12 shall  
706 be reimbursed by the Managers.
- 707 13. Accounts
- 708 The Sub-Managers shall at all times maintain and keep true  
709 and correct accounts and shall make the same available for  
710 inspection by the Managers at such times as may be mutually  
711 agreed. On the termination, for whatever reasons, of this  
712 Agreement, the Sub-Managers shall release to the Managers,  
713 if so requested, the originals where possible, or otherwise  
714 certified copies of the Managers' expenses, of all such  
715 accounts and all documents specifically relating to the Vessel  
716 and her operation.
- 717 14. Inspection of Vessel
- 718 *By Managers*
- 719 The Managers shall have the right at any time after giving  
720 reasonable notice to the Sub-Managers to inspect the Vessel  
721 for any reason they consider necessary. The Managers are  
722 entitled to make recommendations as to possible repair or  
723 maintenance matters, in writing, to the Sub-Managers only,  
724 such recommendations will not be given to the Vessel by the  
725 Managers.
- 726 *By Managers' Invitees*
- 727 The Sub-Managers shall upon receiving reasonable notice  
728 from the Managers afford all necessary cooperation to  
729 facilitate the inspection of the Vessel by any charterers,  
730 prospective charterers, terminal operators or other third  
731 parties as may be notified to the Sub-Managers by the  
732 Managers.
- 733 15. Compliance with Laws and Regulations
- 734 The Parties will not do or permit to be done anything which  
735 might cause any breach or infringement of the laws and  
736 regulations of the Vessel's flag, or of the places where she  
737 trades.
- 738 16. Duration of the Agreement
- 739 This Agreement shall come into effect in accordance with Box  
740 4 and shall continue until the date stated in Box 17. Thereafter  
741 it shall continue until terminated under Clause 17.
- 742 If the Vessel is not taken over by the Sub-Managers, for  
743 whatever reason, the Agreement is deemed to have  
744 commenced on the date stated in Box 1.
- 745 17. Termination
- 746 17.1 *Managers' Default*
- 747 (i) The Sub-Managers shall be entitled to terminate the  
748 Agreement with immediate effect by notice in writing if  
749 any moneys payable by the Managers under this
- 752 shall not have been received in the Sub-Managers'  
753 nominated account within seven (7) running working  
754 days of receipt by the Managers of the Sub-Managers  
755 written request or if the Vessel is arrested as a result  
756 of any legal proceedings by any creditor of the  
757 Managers or repossessed by the its Mortgagees  
758 mortgagees. All cost incurred, arising out of breach of  
759 Sub-clauses 9.4 and 9.5 by Managers shall be payable  
760 by the Managers to the Sub-Managers.
- 761 (ii) If the Managers:
- 762 (a) fail to meet their obligations under Clause 5 of this  
763 Agreement for any reason within their control, or  
764 (b) proceed with the employment of or continue to employ  
765 the Vessel in the carriage of contraband, blockade  
766 running, or in an unlawful trade, or on a voyage which in  
767 the reasonable opinion of the Sub-Managers is unduly  
768 hazardous or improper,  
769 the Sub-Managers may give notice of the default to the  
770 Managers, requiring them to remedy it as soon as  
771 practically possible. In the event that the Managers fail  
772 to remedy it within a reasonable time to the satisfaction  
773 of the Sub-Managers, the Sub-Managers shall be  
774 entitled to terminate the Agreement with immediate  
775 effect by notice in writing.
- 776 17.2 *Sub-Managers' Default*
- 777 If the Sub-Managers fail to meet their obligations under  
778 Clauses 3 and 4 of this Agreement for any reason within the  
779 control of the Sub-Managers, the Managers may give notice  
780 to the Sub-Managers of the default, requiring them to remedy  
781 it as soon as practically possible. In the event that the  
782 Managers fail to remedy it within a reasonable time, but not  
783 later than fifteen thirty (45 30) days, to the satisfaction of the  
784 Managers, the Managers shall be entitled to terminate the  
785 Agreement by notice in writing to the Sub-Managers, the  
786 same to take effect on a date to be specified by the Managers  
787 not less than thirty (30) days from the date of notice, unless  
788 mutually agreed otherwise.
- 789 17.3 *Extraordinary Termination*
- 790 This Agreement shall be deemed to be terminated in the case  
791 of the sale of the Vessel, or bareboat charter of the vessel or  
792 if the Vessel becomes a total loss or is declared as a  
793 constructive or compromised or arranged total loss or is  
794 requisitioned or has been declared missing.
- 795 17.4 For the purpose of Sub-clause 17.3 hereof:
- 796 (i) the date upon which the Vessel is to be treated as  
797 having been sold, chartered as bareboat or otherwise  
798 disposed of shall be the date on which the Managers  
799 cease to be registered as Managers of the Vessel or the  
800 date on which the disponent Managers cease to be  
801 registered as Managers of the Vessel in the case of a  
802 bareboat charter;
- 803 (ii) the Vessel shall not be deemed to be lost unless either  
804 she has become an actual total loss or agreement has  
805 been reached with her underwriters in respect of her  
806 constructive, compromised or arranged total loss or if  
807 such agreement with her underwriters is not reached it  
808 is adjudged by a competent tribunal that a constructive  
809 loss of the Vessel has occurred.
- 810 (iii) the date upon which the Vessel is to be treated as  
811 declared missing shall be ten (10) days after the Vessel  
812 was last reported or when the Vessel is recorded as  
813 missing by the Vessel's underwriters, whichever occurs  
814 first. A missing Vessel shall be deemed lost in  
815 accordance with the provisions of Sub-clause 17.4 (ii).
- 816 17.5 This Agreement shall terminate automatically and immediately  
817 in the event of an order being made or resolution passed for  
818 the winding up, dissolution, liquidation or bankruptcy of either  
819 party (otherwise than for the purpose of reconstruction or  
820 amalgamation) or if a receiver is appointed, or if it suspends

## PART II

Bernhard Schulte Shipmanagement – Sub-Ship Management Agreement  
for LNGC Hull No. H3105 "Aristos I" & Hull.No.H3106 "Aristidis I"

823 The rights of either party to damages for breach of the  
824 Agreement or otherwise including the right to damages for  
825 wrongful termination, if this may be the case, shall not be  
826 prejudiced by termination under the this Sub-clause 17.5.

827 **17.6 Termination on Three Calendar Months' Notice**

828 Without prejudice to the rights under Sub-clauses 17.1-17.5,  
829 either party Party shall be entitled to terminate this Agreement  
830 by giving the other Party three (3) calendar months' notice in  
831 writing. This Agreement shall then terminate upon until the  
832 expiry of which such notice period, starting from the time of  
833 receipt of the notice by the other Party, but until such  
834 termination this Agreement shall continue in full force and  
835 effect. If the Managers exercise their rights under this Sub-  
836 clause 17.6 and the termination of the Agreement is less than  
837 three (3) calendar years from the date of take over of the  
838 vessel the Managers agree to pay an exit fee to the Sub-  
839 Managers of US pro-rata from the date of  
840 termination for the remaining time period until three years  
841 from the date of take over of the vessel.

842 **17.7 General Provisions on Termination.**

843 The termination of this Agreement shall be without prejudice  
844 to all rights accrued or due between the parties prior to the  
845 date of termination.

846 **17.8** On termination of this Agreement, the Sub-Managers shall  
847 forthwith deliver or procure to be delivered to the Managers  
848 all records, documents accounts and other properties of every  
849 description in their possession or under their control relating  
850 to the Vessel whether or not the same were originally supplied  
851 or obtained from the Managers. The Sub-Managers shall be  
852 entitled to retain copies of the same if they in their sole and  
853 absolute discretion consider desirable to do so.

854 ~~17.9 Owners agrees to pay Exit fee (US\$ ) to the Managers~~  
855 ~~if the termination of the Agreement is less than a year from~~  
856 ~~the commencement of the Agreement.~~

857 **18. Law and Arbitration**

858 **18.1** This Agreement shall be governed by and construed in  
859 accordance with English law and any dispute arising out of or in  
860 connection with this Agreement shall be referred to arbitration in  
861 London in accordance with the Arbitration Act 1996 as may be  
862 amended or re-enacted from time to time save to the extent  
863 necessary to give effect to the provisions of this clause.

864 The arbitration shall be conducted in accordance with the  
865 London Maritime Arbitrators Association (LMAA) Terms  
866 current at the time when the arbitration proceedings are  
867 commenced. The reference shall be to three arbitrators. A  
868 party wishing to refer a dispute to arbitration shall appoint its  
869 arbitrator and send notice of such appointment in writing to  
870 the other party requiring the other party to appoint its own  
871 arbitrator within 14 calendar-days Days of that notice and  
872 stating that it will appoint its arbitrator as sole arbitrator unless  
873 the other party appoints its own arbitrator and gives notice that  
874 it has done so within the 14 days specified. If the other party  
875 does not appoint its own arbitrator and give notice that it has  
876 done so within the 14 days specified, the party referring a  
877 dispute to arbitration may, without the requirement of any  
878 further prior notice to the other party, appoint its arbitrator as  
879 sole arbitrator and shall advise the other party accordingly.  
880 The award of a sole arbitrator shall be binding on both the  
881 parties Parties as if he had been appointed by agreement.  
882 Nothing herein shall prevent the parties Parties agreeing in  
883 writing to vary these provisions to provide for the appointment  
884 of a sole arbitrator.

885 In cases where neither the claim nor any counterclaim  
886 exceeds the sum of US\$: (or such other sum as the  
887 parties Parties may agree) the arbitration shall be conducted  
888 in accordance with the LMAA Small Claims Procedure current  
889 at the time when the arbitration proceedings are commenced.  
890 In cases where the claim or any counterclaim exceeds the  
891 sum agreed for the LMAA Small Claims Procedure and

894 the arbitration shall be conducted in accordance with the  
895 LMAA Intermediate Claims Procedure current at the time  
896 when the arbitration proceeding are commenced.

897 Where the reference is to three arbitrators the procedure for  
898 making appointments shall be in accordance with the  
899 procedure for full arbitration stated above.

900 **18.2** In the case of a dispute in respect of which arbitration has  
901 been commenced, the following shall apply:

902 (i) Either party may at any time and from time to time elect  
903 to refer the dispute or part of the dispute to mediation by  
904 service on the other party to agree to mediation.

905 (ii) The other party shall thereupon within 14 calendar-d  
906 Days of receipt of the Mediation Notice confirm that they  
907 agree to mediation, in which case the parties Parties  
908 shall thereafter agree a mediator within a further 14  
909 calendar-d-Days, failing which on the application of  
910 either party Party a mediator will be appointed promptly  
911 by the Arbitration Tribunal ("the Tribunal") or such  
912 person as the Tribunal may designate for that purpose.

913 The mediation shall be conducted in such place and in  
914 accordance with such procedure and on such terms as  
915 the parties Parties may agree or, in the event of  
916 disagreement, as may be set by the mediator.

917 (iii) If the other party does not agree to mediate, that fact  
918 may be brought to the attention of the Tribunal and may  
919 be taken into account by the Tribunal when allocating  
920 the costs of the arbitration as between the parties  
921 Parties.

922 (iv) The mediation shall not affect the right of either party to  
923 seek such relief or take such steps as it considers  
924 necessary to protect its interest.

925 (v) Either party may advise the Tribunal that they have  
926 agreed to mediation. The arbitration procedure shall  
927 continue during the conduct of the mediation but the  
928 Tribunal may take the mediation timetable into account  
929 when setting the timetable for steps in the arbitration.

930 (vi) Unless otherwise agreed or specified in the mediation  
931 terms, each party shall bear its own costs incurred in the  
932 mediation and the parties Parties shall share equally the  
933 mediator's costs and expenses.

934 (vii) The mediation process shall be without prejudice and  
935 confidential and no information or documents disclosed  
936 during it shall be revealed to the Tribunal except to the  
937 extent that they are disclosable under the law and  
938 procedure governing the arbitration.

939 (Note: The parties Parties should be aware that the mediation  
940 process may not necessarily interrupt time limits.)

941 **19. Notices**

942 **19.1** Any notice to be given by either party to the other party shall  
943 be in writing and may be sent by fax, telex, email, registered  
944 or recorded mail or by personal service.

945 **19.2** Every notice or other communication to be given to the Sub-  
946 Managers shall be in the English language and shall be sent  
947 to the address of the Sub-Managers stated in Box 20.

948 Every notice or other communication to be given to the  
949 Managers shall be made in the English language and shall be  
950 sent to the address of his appointed and agreed  
951 representative at the address stated in Box 19.

952 **19.3** Every notice or other communication shall be deemed duly  
953 given if delivered by hand, given by telefax, given by first class  
954 registered or recorded delivery mail or given by email.

955 Every notice shall be effective:

956 (i) on delivery, if delivered personally,

957 (ii) on transmission if sent by telefax,

958 (iii) upon actual receipt, if sent by registered or recorded  
959 delivery mail or

960 (iv) upon confirmation of receipt of the email message by  
961 the recipient.

962 **20. Entire Agreement**



## PART II

Bernhard Schulte Shipmanagement – Sub-Ship Management Agreement  
for LNGC Hull No. H3105 "Aristos I" & Hull.No.H3106 "Aristidis I"

965 warranty or statement by either party Party prior to the date  
966 stated in Box 4 shall affect this Agreement. Any modification  
967 of this Agreement shall not be of any effect unless in writing  
968 signed by or on behalf of the parties Parties.

## 21. Third Party Rights

970 Except to the extent provided in Sub-clause 11.4 (Himalaya),  
971 no third parties shall have the right to enforce any term of this  
972 Agreement.

## 22. Partial Validity

974 If any provision of this Agreement is or becomes or is held by  
975 any arbitrator or other competent body to be illegal, invalid or  
976 unenforceable in whole or in part, in any respect under any  
977 law or jurisdiction, save and except for any provision or part  
978 of a provision the that is fundamental to the Agreement that  
979 provision shall be disregarded deemed to be amended to the  
980 extent necessary to avoid such illegality, invalidity or  
981 unenforceability, or, if such amendment is not possible, the  
982 provision shall be deemed to be deleted from this Agreement  
983 to the extent of such illegality, invalidity or unenforceability  
984 and the remaining provisions and remainder of any affected  
985 provision shall continue in full force and effect and shall not in  
986 any way be affected or impaired thereby.

## 23. Interpretation

988 In this Agreement:

## 23.1. Singular/Plural

990 The singular includes the plural and vice versa as the context  
991 admits or requires.

## 23.2 Headings

993 The index and headings to the Clauses and Appendices to  
994 this Agreement are for convenience only and shall not affect  
995 its construction or interpretation.

## 23.4 Day

997 "Day" means calendar day unless expressly stated to the  
998 contrary. Where in this Agreement either Party's approval,  
999 confirmation or consent is not to be unreasonably withheld it  
1000 shall also be required to be not unreasonably delayed.

## 24. Data Protection

1002 24.1 The parties shall each ensure compliance with the DPR in  
1003 respect of Personal Data, with particular regard to:

- 1004 (i) its collection and use;
- 1005 (ii) its safeguarding;
- 1006 (iii) any transfer to third parties;
- 1007 (iv) its retention; and
- 1008 (v) the protection of Data Subjects' rights.

1009 24.2 The parties shall have proper notification and response  
1010 procedures for any Personal Data breach.

1011 24.3 The parties agree to conduct or submit to audits or inspections  
1012 in accordance with the DPR.

1013 25. The Sub-Managers shall consult Managers with respect to the  
1014 scheduling and location as well as the extension or postponement  
1015 of any dry dockings, special surveys, intermediate surveys or major  
1016 repairs of the Vessel, and negotiate directly with the relevant ship  
1017 repair yards or facilities the prices and payment terms and arrange  
1018 to pay for such services all of which shall be subject to Managers'  
1019 written approval, which shall not to be unreasonably withheld or  
1020 delayed. In connection with any of the foregoing, Managers may,  
1021 after providing notice to Sub-Managers, but always before RFQ to  
1022 the ship repair yard, negotiate directly with the relevant ship repair  
1023 yards or facilities the prices and payment terms and arrange to pay  
1024 for such services directly.

1025 26. With respect to bulk procurement contracts for the purchase of  
1026 services or goods from third parties, the Sub-Managers will  
1027 communicate with and work closely with Managers in evaluating  
1028 proposals from and selecting prospective vendors or suppliers with  
1029 the goal of achieving most favourable prices and terms.  
1030 Supplementing Clause 3 of the Ship Management Agreement.

1031 27. The Sub-Managers shall if requested include Managers on the

1033 with respect to the operation of the Vessel including those related  
1034 to classification society, flag state and vetting by charterers.

1035 28. The Sub-Managers shall promptly notify Managers if a change  
1036 of control of the ownership or management of Sub-Managers is  
1037 proposed. For purposes of this Agreement a change of control is  
1038 deemed to be a sale or transfer of a controlling equity interest in  
1039 Sub-Managers. In the event of such a change of control, Managers  
1040 shall have the option to terminate this Agreement on two (2)  
1041 months' prior written notice to Sub-Managers.

1042 29. With respect to dealings with the Classification Societies, the  
1043 Sub-Managers and Managers shall collaborate in negotiations  
1044 involving block fees and other services, with the goal of achieving  
1045 most favourable prices and terms. Supplementing Ship  
1046 Management Agreement.

1047 30. Notwithstanding the foregoing, if the Sub-Managers anticipate  
1048 that any proposed capital expenditure for the Vessel is likely to  
1049 exceed U.S. the Sub-Managers must obtain the Managers'  
1050 prior written consent (such consent shall not to be unreasonably  
1051 withheld or delayed) before committing to such expenditure.  
1052 Supplementing Annex "C" of the Ship Management Agreement.

## 31. Oil Majors' Acceptances

## a. Vessel

1054 The Sub-Managers shall exercise reasonable endeavours to  
1055 arrange a SIRE inspection (OCIMF Ship Inspection Report  
1056 Programme) of the Vessel by an oil major company ("Major") from  
1057 the list of Majors below ("Listed Majors"), and thereafter, at least  
1058 one valid SIRE inspection at regular intervals as required by the  
1059 Listed Majors:

1060 ExxonMobil - IMT

1061 Shell

1062 BP

1063 Chevron

1064 Total

1065 Repsol

1066 The Sub-Managers shall exercise reasonable endeavours to  
1067 correct or  
1068 remedy any defects recorded in a SIRE inspection report as soon  
1069 as possible.

1070 The Sub-Managers shall promptly notify Managers of any failure  
1071 to obtain acceptance or the withdrawal of acceptance of the  
1072 Vessel from or by any Listed Major.

1073 In the event that any Listed Majors' acceptance is not granted or  
1074 reinstated or any deficiencies noted are not rectified within 30  
1075 days after the inspection has been completed, Managers shall  
1076 have the option to terminate this Agreement by giving Sub-  
1077 Managers 30 days' notice.

1078 The Sub-Managers shall not, however, be responsible for any  
1079 failure based upon defects in the Vessel's design and/or  
1080 construction or for any failure as a consequence of such Major(s)  
1081 not inspecting the Vessel in a timely manner, and Managers shall  
1082 not have the option to terminate this Agreement according to the  
1083 provisions of the paragraph hereabove.

1084 The Sub-Managers shall, subject to the policies of Majors and  
1085 availability of their inspectors, exercise reasonable endeavours  
1086 to obtain acceptance of the Vessel prior to the delivery of the  
1087 Vessel.

1088 The Sub-Managers shall provide officers and crew to satisfy any  
1089 Crew

1090 Matrix Requirement of the Listed Major's.

## b. Sub-Managers

1091 The Sub-Managers shall exercise reasonable efforts to conform  
1092 to and

1093 maintain a TMSA (Tanker Management and Self - Assessment)  
1094 with OCIMF at a level that satisfies each of the Listed Majors.

1095 The Sub-Managers shall promptly notify the Managers should  
1096 any of the Listed Majors notify the Sub-Managers that they will  
1097 not accept the Vessel under their management for business. The  
1098 Sub-Managers shall exercise reasonable endeavours to remedy  
1099 the causes for such a rejection within 30 days of such notification.  
1100  
1101

## PART II

Bernhard Schulte Shipmanagement – Sub-Ship Management Agreement  
for LNGC Hull No. H3105 "Aristos I" & Hull.No.H3106 "Aristidis I"

If the Vessel solely by reason of a shortcoming in her technical management by Sub-Managers pursuant to this Agreement is barred from trading to the United States or any Port State to which tankers comparable to this Vessel generally trade or by any of the Listed Oil Majors either party shall forthwith notify the other in writing as soon as such party becomes aware of such event. If, for any reason, any such trading ban is not lifted within 30 running days after such notice has been provided, Managers shall have the option to terminate this Agreement with immediate effect.

**33. Sarbanes-Oxley Compliance**

Sub-Managers shall assist Managers in complying with the requirements of the Sarbanes-Oxley Act of 2002, as it may be amended from time to time ("SOX"), governing the effectiveness of the internal controls of service organizations retained by publicly held companies by taking or causing to be taken, (in their capacity as Sub-Managers and in relation to their duties and responsibilities under the agreement) all actions and doing, or causing to be done, all things and executing any and all documents and instruments of any kind which may be required to conducting an evaluation of the internal controls of Sub-Managers in compliance with SOX. The Sub-Managers agree to take or cause to be taken, all actions and to do, or cause to be done, all things and to execute any and all documents and instruments of any kind in relation to the above, on an ongoing basis which may be necessary to permit the Managers to remain in compliance with SOX throughout the term of this Agreement, and, with the exception of the costs incurred by Sub-Managers to obtain SAS 70 reports or any equivalents thereof, if required by Managers, which shall be payable by the Managers, each of the parties shall bear their own costs associated with such compliance. Supplementing Ship and Crew management agreements.

**34. Notifications**

The Sub-Managers will notify the Managers, within six (6) hours, of any incident that causes or has the potential to cause injury or loss of life, or harm or damage to the Vessel, her cargo or the marine environment, or materially affect the operational capability of the Vessel or result in the Vessel, Master and/or Managers acquiring a liability from a third party. Supplementing Ship and Crew management agreements.

**35. Confidentiality**

The parties hereto agree that the terms and conditions of this Agreement will not be disclosed, except to the extent necessary for its performance, unless it may be otherwise mutually agreed, or unless such disclosure is required to be made (a) as required in connection with any financing transaction for Managers or any parent company of Managers or (b) in order to comply with any law, regulation, order or process binding on either of the parties or their respective parents, subsidiaries, agents, directors, officers or legal or accounting advisors or (c) to any potential investor or business partner or bank of the Sub-Managers. Supplementing Ship and Crew management agreements.

**36. Anti Bribery Clause**

Sub-Managers and their Directors, Officers, Employees, Masters and Crew members shall comply with the applicable laws, rules, regulations, decrees and/or official government orders, including but not limited to the United Kingdom Bribery Act of 2010 as amended and the United States of America Foreign Corrupt Practices Act of 1977 as amended, or any other applicable jurisdiction, relating to Anti-Bribery and Anti-Money Laundering and that they shall take no action which would subject themselves or the Owner to fines or penalties under such laws, regulations, rules decrees or orders. Supplementing Ship and Crew management agreements.

**ANNEX "A" (DETAILS OF VESSEL OR VESSELS) TO  
BERNHARD SCHULTE SHIPMANAGEMENT  
SUB-SHIP MANAGEMENT AGREEMENT**

---

Date of Agreement: 25 October 2019

Name of Vessels(s): LNG Hull No. H3105 "Aristos I"

**Particulars of Vessel(s):**

Type: LNG Carrier  
Hull No. : H3105  
Flag: Malta  
IMO: 9862891

Name of Vessels(s): LNG Hull No. H3106 "Aristidis I"

**Particulars of Vessel(s):**

Type: LNG Carrier  
Hull No. : H3106  
Flag: Malta  
IMO: 9862906

*[Handwritten signature]*

**ANNEX "B" (CREW MANAGEMENT AGREEMENT) TO  
BERNHARD SCHULTE SHIPMANAGEMENT  
SUB-SHIP MANAGEMENT AGREEMENT**

---

Date of Agreement: 25 October 2019

Name of Vessels(s): LNG Hull No. H3105 "Aristos I" & LNG Hull No.H3106 "Aristidis I"

Please refer to enclosed Bernhard Schulte Shipmanagement—Crew Management Agreement forming part of the Bernhard Schulte Shipmanagement—Ship Management Agreement.

✓ 100





**ANNEX "C" (ANNUAL BUDGET) TO  
BERNHARD SCHULTE SHIPMANAGEMENT  
SUB-SHIP MANAGEMENT AGREEMENT**

---

Date of Agreement: 25 October 2019

Name of Vessels(s): LNG Hull No. H3105 "Aristos I" & LNG Hull No. H3106 "Aristidis I"

Budgets to be finalized and agreed prior to takeover of the vessels.

**ANNEX "D" (ASSOCIATED VESSELS) TO  
BERNHARD SCHULTE SHIPMANAGEMENT  
SUB-SHIP MANAGEMENT AGREEMENT**

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**NOTE: PARTIES SHOULD BE AWARE THAT BY COMPLETING THIS ANNEX "D" THEY WILL BE SUBJECT TO THE PROVISIONS OF SUB-CLAUSE 17.1(i) OF THIS AGREEMENT.**

Date of Agreement: 25 October 2019

Details of Associated Vessels:





**ANNEX "E" (PRE-DELIVERY MANAGEMENT SERVICES) TO  
BERNHARD SCHULTE SHIPMANAGEMENT  
SUB-SHIP MANAGEMENT AGREEMENT**

---

Date of Agreement: 25 October 2019

Details of Associated Vessels:

Pre-Delivery Budget and services to be agreed and confirmed with Managers prior to take over of the vessel

## APPENDIX 2

### NOTICE OF ASSIGNMENT AND LOSS PAYABLE CLAUSE

#### PART A

#### NOTICE OF ASSIGNMENT TO INSURER

(for attachment by way of endorsement to the Policy or Entry in respect of the Vessel)

**m.v. "Aristos I" with IMO No. 9862891 (the "Vessel")**

Each of:

- (A) **ASSOS GAS CARRIER CORP.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960, the charterer of the Vessel (the "**Charterer**");
- (B) **CAPITAL COMMERCIAL SERVICES CORP.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960, the commercial manager of the Vessel (the "**Commercial Manager**");
- (C) **BERNHARD SCHULTE SHIPMANAGEMENT (CYPRUS) LIMITED** of 284 Arch. Makarios III Avenue, Fortuna Court, Block "B", 2<sup>nd</sup> Floor, Limassol, Cyprus (the "**Technical Manager**");
- (D) **BERNHARD SCHULTE SHIPMANAGEMENT (HELLAS) SP LLC** of 36 Makedonomachon and 76 Lavriou Street, Nea Ionia, Athens, Greece (the "**Sub-manager A**"); and
- (E) **BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED** of 3 Hedley Court, Orion Business Park, Newcastle Upon Tyne, NE29 7ST United Kingdom (the "**Sub-manager B**").

**HEREBY GIVE NOTICE** that:

- (a) by a first priority assignment dated [●] made by the Charterer in favour of **XIANG CH25 HK INTERNATIONAL SHIP LEASE CO., LIMITED** of 1/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong (the "**Assignee**");
- (b) by a technical manager's undertaking dated [●] made by the Technical Manager in favour of the Assignee;
- (c) by a commercial manager's undertaking dated [●] made by the Commercial Manager in favour of the Assignee;
- (d) by a sub-manager's undertaking dated [●] made by the Sub-manager A in favour of the Assignee; and
- (e) by a sub-manager's undertaking dated [●] made by the Sub-manager B in favour of the Assignee,

all rights and interests of every kind which each of the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A and the Sub-manager B has now or at any later time to, in or in connection with:

- 1 all policies and contracts of insurance, including entries of the Vessel in any protection and indemnity or war risks association, which are effected in respect of the Vessel, its earnings or otherwise in relation to it whether before, on or after the date of this Notice of Assignment; and
- 2 all rights and other assets relating to, or derived from, any such policies, contracts or entries, including any rights to a return of a premium and any rights in respect of any claim, whether or not the relevant policy, contract of insurance or entry has expired on or before the date of this Notice of Assignment,

have been assigned to the Assignee by way of security in accordance with the provisions of the documents referred to in paragraphs (a), (b), (c), (d) and (e) above.

Endorsement of this Notice of Assignment on a Policy of insurance or Entry in respect of the Vessel shall be deemed to constitute acceptance by the underwriters or club to the terms of this Notice of Assignment.

---

**ASSOS GAS CARRIER CORP.**

Name: [●]

Title: [●]

Date: [●]

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**CAPITAL COMMERCIAL SERVICES CORP.**

Name: [●]

Title: [●]

Date: [●]

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**BERNHARD SCHULTE SHIPMANAGEMENT  
(CYPRUS) LIMITED**

Name: [●]

Title: [●]

Date: [●]

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**BERNHARD SCHULTE SHIPMANAGEMENT  
(HELLAS) SP LLC**

Name: [●]

Title: [●]

Date: [●]

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**BERNHARD SCHULTE SHIPMANAGEMENT  
(UK) LIMITED**

Name: [●]

Title: [●]

Date: [●]

## PART B

### LOSS PAYABLE CLAUSE

(for hull and machinery and war risks insurances)

m.v. "Aristos I" with IMO No. 9862891 (the "Vessel")

By

- (a) a first priority assignment dated [●] made by **ASSOS GAS CARRIER CORP.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 (the "**Charterer**") in favour of **XIANG CH25 HK INTERNATIONAL SHIP LEASE CO., LIMITED** of 1/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong (the "**Assignee**") in connection with a bareboat charter dated [●] (the "**Bareboat Charter**"), the Charterer has assigned to the Assignee;
- (b) a commercial manager's undertaking dated [●] made by **CAPITAL COMMERCIAL SERVICES CORP.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 (the "**Commercial Manager**") in favour of the Assignee in connection with the Bareboat Charter, the Commercial Manager has assigned to the Assignee;
- (c) a technical manager's undertaking dated [●] made by **BERNHARD SCHULTE SHIPMANAGEMENT (CYPRUS) LIMITED** of 284 Arch. Makarios III Avenue, Fortuna Court, Block "B", 2<sup>nd</sup> Floor, Limassol, Cyprus (the "**Technical Manager**") in favour of the Assignee in connection with the Bareboat Charter, the Technical Manager has assigned to the Assignee;
- (d) by a sub-manager's undertaking dated [●] made by **BERNHARD SCHULTE SHIPMANAGEMENT (HELLAS) SPLLC** of 36 Makedonomachon and 76 Lavriou Street, Nea Ionia, Athens, Greece (the "**Sub-manager A**") in favour of the Assignee in connection with the Bareboat Charter, the Sub-manager A has assigned to the Assignee; and
- (e) by a sub-manager's undertaking dated [●] made by **BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED** of 3 Hedley Court, Orion Business Park, Newcastle Upon Tyne, NE29 7ST United Kingdom (the "**Sub-manager B**") in favour of the Assignee in connection with the Bareboat Charter, the Sub-manager B has assigned to the Assignee,

all rights and interests of every kind which they each have now or at any later time to, in or in connection with, amongst other things, the insurances to which this Policy or Entry relates.

Accordingly, all payments under or in connection with the Insurance shall be made as follows:

- 1 In the event of an actual, constructive, arranged or compromised total loss (the "**Total Loss**"), all proceeds of the Insurance and all other sums payable under or in connection with the Insurance shall be paid to the Assignee or to its order, provided that no compromised or arranged Total Loss shall be agreed to by the underwriters without the prior written consent of the Assignee.
- 2 Any claim or money of whatsoever nature and kind payable under or in connection with the Insurance (other than in respect of a Total Loss) exceeding US\$2,000,000 or its equivalent in any other currency shall be paid to the Assignee or to its order.

- 3 Any claim or money of whatsoever nature and kind payable under or in connection with the Insurance (other than in respect of a Total Loss) not exceeding US\$2,000,000 or its equivalent in any other currency shall be paid to the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A or the Sub-manager B (as the case may be) unless and until the underwriters receive notice from the Assignee that there is a termination event under the Bareboat Charter, in which case all such claims or money shall thereafter be paid to the Assignee or to its order.

The Assignee shall be given at least ten (10) days' prior notice of cancellation, modification, termination or expiry of the insurance policy in or on which this Clause is contained or endorsed, and prompt notice of any failure by the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A and/or the Sub-manager B (as the case may be) to pay premiums as and when due. In the event of non-payment or short payment of premiums, the policy shall not be cancelled for ten (10) days after receipt by the Assignee of the notice of the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A or the Sub-manager B (as the case may be) of failure of payment of such premium, during which period the Assignee shall be entitled to remedy the said default.

The Assignee shall be promptly advised of any act or omission by the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A and/or the Sub-manager B (as the case may be) which might make the policy void or voidable.



## **LOSS PAYABLE CLAUSE**

**(for protection and indemnity insurances)**

**m.v. "Aristos I" with IMO No. 9862891 (the "Vessel")**

Payment of any recovery which **XIANG CH25 HK INTERNATIONAL SHIP LEASE CO., LIMITED** of 1/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong, the owner of the Vessel (the "**Owner**") is entitled to receive out of the funds of this association in respect of any liability, costs or expenses incurred by the Owner, shall be made to the Owner or to its order.

Payment of any recovery which **ASSOS GAS CARRIER CORP.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960, the bareboat charterer of the Vessel (the "**Charterer**"), **CAPITAL COMMERCIAL SERVICES CORP.** of Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960, the commercial manager of the Vessel (the "**Commercial Manager**"), or **BERNHARD SCHULTE SHIPMANAGEMENT (CYPRUS) LIMITED** of 284 Arch. Makarios III Avenue, Fortuna Court, Block "B", 2<sup>nd</sup> Floor, Limassol, Cyprus, the technical manager of the Vessel (the "**Technical Manager**"), or **BERNHARD SCHULTE SHIPMANAGEMENT (HELLAS) SPLLC** of 36 Makedonomachon and 76 Lavriou Street, Nea Ionia, Athens, Greece, the sub-manager of the Vessel (the "**Sub-manager A**"), or **BERNHARD SCHULTE SHIPMANAGEMENT (UK) LIMITED** of 3 Hedley Court, Orion Business Park, Newcastle Upon Tyne, NE29 7ST United Kingdom, the sub-manager of the Vessel (the "**Sub-manager B**") is entitled to receive out of the funds of this association in respect of any liability, costs or expenses incurred by the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A or the Sub-manager B (as the case may be) shall be made to the Charterer, the Commercial Manager, the Technical Manager, the Sub-manager A or the Sub-manager B (as the case may be) or to its order, unless and until this association receives notice from the Owner that there is a termination event under the bareboat charterparty dated [●] by and between the Charterer, as charterers and the Owner, as owners, in which case all recoveries shall thereafter be paid to the Owner or to its order.

