

## THIS VESSEL SALE AND PURCHASE AGREEMENT

(hereinafter referred to as the "**Agreement**") is entered this  
25<sup>th</sup> day of August 2014, by and between:

(1) **SIA Burinieki**, a company existing under the laws of the Republic of Latvia, registration number 40003374042, having its registered office at Brivibas gatve 215A-46, LV-1039 Riga, Latvia, hereinafter referred to as the "**Seller**".

(2) **SIA North Star LTD**, a company existing under the laws of the Republic of Latvia, registration number 40103765463, having its registered office at Miera iela 87a-13, LV-1013 Riga, Latvia hereinafter referred to as the "**Purchaser**".

Except as explicitly stipulated otherwise, the Seller and the Purchaser are hereinafter collectively referred to as the "**Parties**" and each individually as the "**Party**".

### WHEREAS:

(A) On the date of this Agreement, fishing vessel OTTO, registered under number LVR0834 in the Latvian Ship Register, call sign YLAC, IMO number 6812986 (the "**Vessel**") is owned by the Seller;

(B) The Purchaser intends to buy the Vessel upon the terms and conditions set out in this Agreement;

(C) The Seller intends to sell the Vessel.

**NOW, THEREFORE, having regard to the foregoing, the Parties agree as follows:**

### I. DEFINITIONS

1.1. The following capitalized words and expressions used in this Agreement, including the Preamble and the Appendices hereof, shall have the following meanings:

"**Agreement**" means this Vessel Sale and Purchase Agreement and its Appendices as may be amended, modified or restated from time to time;

"**Business Day**" means any day, on which the banks are open for operations in the Republic of Latvia and which is not Saturday, Sunday or a public holiday;

"**Party**" means the Seller and/or the Purchaser;

"**Purchase Price**" has the meaning defined in in Clause 4.1 hereof;

"**Purchaser**" has the meaning defined in the Preamble of this Agreement;

"**Seller**" has the meaning defined in the Preamble of this Agreement;

"**Vessel**" has the meaning defined in para A of the Preamble;

"**Taxes**" means any and all taxes, duties and/or other payments of whatever kind and nature, including inter alia the value added tax (VAT).

"**Delivery and Acceptance Certificate**" stipulated at Appendix No.1, means the certificate to be signed between the Seller and the Purchaser, whereupon the risk of accidental perishing of the Vessel will immediately pass to the Purchaser.

1.2. If the context so requires, the capitalized words in the singular form shall also include the plural and vice versa, and references to appendices, sections and clauses shall be to the appendices, sections and clauses of this Agreement.

## II. PURCHASE AND SALE

2.1. Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties given by the Parties herein, the Purchaser shall purchase and accept from Seller, who shall sell and deliver to the Purchaser the Vessel free and clear of any claims lodged for whatever reason or on whatever grounds, or any security interests, charges, liabilities, obligations, pledges, covenants, encumbrances, liens, assessments, attachments or arrangements of whatever kind or nature, collectively referred to as the "**Encumbrances**").

## III. TRANSFER OF OWNERSHIP

3.1. The Purchaser shall acquire full and unrestricted ownership of the Vessel when the purchase price has been paid and closing documents have been delivered.

3.2. The Parties shall sign Delivery and Acceptance Certificate within 15 business days after the date of signing this Agreement.

3.3. Until the Delivery and Acceptance Certificate is signed, full liability for the Vessel, including but not limited to the risk of accidental perishing and any taxes involved, also any obligations associated with the management and operation of the Vessel, including any legal consequences thereof, shall be borne by the Seller.

3.4 No fishing rights or quotas are included in the sale.

## IV. PURCHASE PRICE AND PAYMENTS

4.1. The aggregate price payable for the transfer to the Seller of the ownership and other rights and obligations attaching to the Vessel shall be EUR 900,000.00 (the "**Purchase Price**").

4.2. The Parties agree that any Taxes, if they are payable because of such transfer of the Vessel, shall be deemed included in the Purchase Price and shall be payable by the Seller. The Purchase Price shall be deemed to constitute the total final price payable by the Purchaser to the Seller for the Vessel.

4.3. The Purchaser shall pay 10% of the Purchase Price to the Seller's bank account within 3 business days after signing this Agreement. Bank details stipulated at the Appendix No.2. This deposit of 10 % is not refundable if Purchaser decides to cancel the purchase.

4.4. The Purchaser shall pay 90% of the Purchase Price to the Bank account stipulated at the Appendix No.2 on delivery of the Vessel, but not later than 3 banking days after the Vessel is in every respect physically ready for delivery in accordance with the terms and conditions of this Agreement and in exchange for the Bill of Sale and other closing documents described in Clause 4.5..

4.5. The Delivery and Acceptance Certificate shall be signed for the benefit of the Seller after the following Closing Documents are delivered to the Purchaser:

4.5.1. a valid certificate of ownership or a duly certified copy thereof;

4.5.2. the Vessel classification certificate;

4.5.3. a valid certificate issued by the competent authority to confirm that the Vessel is free from any registered encumbrances, mortgages, maritime liens or any other debts whatsoever;

4.5.4. any such other documents as may reasonably be required for the purpose of registering the Vessel at the Riga Port or for the management, operation and use of the Vessel.

## V. CHANGE OF THE VESSEL OWNERSHIP RIGHTS

5.1. The Seller shall be responsible for change of the Vessel's ownership rights in favour of the Purchaser at Latvian Ship Register. The Seller shall make every endeavour to cause such change of the Vessel ownership rights to take place within the shortest time possible after the date of this Agreement.

## VI. REPRESENTATIONS AND WARRANTIES

The Seller represents and warrants to the Purchaser as follows:

### 6.1. Representations and warranties concerning the Seller:

6.1.1. That the Seller has all requisite powers and authority to enter into and carry out this Agreement and the Vessel transfer;

6.1.2. That this Agreement constitutes a valid and legally binding obligation of the Seller enforceable against it in accordance with the terms hereof;

6.1.3. That the execution, delivery and performance by the Seller of this Agreement does not violate any agreement or commitment made by the Seller, or any judgement or order binding on the Seller, or any law or regulation applicable to the Seller;

6.1.4. That there is no claim, action, suit, proceeding, arbitration, investigation or hearing pending before any court or governmental/public administration authority against the Seller that might have a significantly adverse effect on the Seller's ability to carry out its obligations under this Agreement.

### 6.2. Representation and warranties concerning the Vessel:

6.2.1. That the Vessel shall be acquired by the Purchaser in accordance with the requirements laid down in the contractual sale and purchase documents and the applicable laws and that the ownership of the Vessel, which shall be duly paid for, shall pass to the Seller in accordance with the laws of the Republic of Latvia;

6.2.2. That the ownership of the Vessel and any property and non-property rights attaching to it shall be transferred to the Purchaser free and clear of any Encumbrances on the transfer date.

## VII. SPARES AND BUNKERS

7.1. The Seller shall deliver the Vessel to the Purchaser with everything belonging to the Vessel on board and on shore. All spare parts and spare equipment, including any spares on order, spare tail end shaft(s) and/or spare propeller(s), if any, belonging to the Vessel at the time of signing this Agreement, whether used or unused, whether on board or not, shall become the Purchaser's property and shall be deemed included in the Purchase Price. The radio installation and navigational equipment, unused stores, remaining bunkers (10 tons of fuel), unused 1 ton lubricating oils in storage tanks and/or sealed drums shall also be deemed included in the sale of the Vessel and shall be transferred to the Purchaser hereunder against payment of the Purchase Price. Purchaser shall pay for additional fuel and lubricating oils in accordance with current market price at the port of delivery and date of delivery of the vessel. Payment under this clause shall be made at the same time and place and in the same currency as the Purchase Price.

## VIII. VESSEL DELIVERY

8.1 The place of delivery shall be the Hafnarfjordur Port, Iceland within 15 days of the signing of this Agreement. At the time of delivery the parties shall sign and deliver to each other the Protocol of Delivery and Acceptance confirming the date and time of delivery of the Vessel from the Sellers to the Purchasers.

8.2 At the time of delivery the Sellers shall hand to the Buyers the classification certificate(s) as well as all plans etc., which are on board the Vessel.

8.3 The Vessel shall be delivered by the Seller and accepted by the Purchaser safely afloat. The Vessel is to be delivered without dry docking. However, the Purchaser shall have the right to arrange at its own cost and expense for an underwater inspection by a diver approved by the Classification Society prior to delivery of the Vessel. The Vessel shall be made available for such inspection by the Seller at its own cost and expense. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification Society.

8.4 The Vessel shall be delivered with her class, free of average damage affecting the Vessel's class, and with her classification certificates and national certificates, as well as all other

Seller



Purchaser

certificates that the Vessel had at the time of inspection, valid and unexpired.

8.5 The Vessel shall be delivered and taken over as she is on the date of this Agreement, fair wear and tear excepted.

8.6. At the date of signing of the present Agreement the Purchaser acknowledges that it has received the Det Norske Veritas Class Status Report and results of main engine machinery items survey, which was issued by Det Norske Veritas on 11.08.2014.

#### IX. GOVERNING LAW AND DISPUTE RESOLUTION

9.1. This Agreement shall be governed by and construed in accordance with the laws of the Republic of Latvia. Any dispute, controversy or claim arising out of this Agreement or any breach, termination or invalidity thereof shall be resolved by the Riga District Court.

#### X. MISCELLANEOUS

##### 10.1. Jointly drafted Agreement

The Parties acknowledge and agree that the text of the Agreement has been negotiated and drafted by both Parties rather than by any of them alone. During such negotiation and drafting process, the Parties have been assisted by duly qualified lawyers and other professional advisers. The provisions of this Agreement shall be interpreted and construed in accordance with their fair meaning, and not strictly for or against any of the Parties.

##### 10.2. Amendments

No amendment or addendum to this Agreement shall be valid or effective unless executed in writing and signed by both Parties.

##### 10.3. Severability

If any provision of this Agreement is found to be invalid or unenforceable by any court of competent jurisdiction or arbitral tribunal, the remaining provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or to a certain extent will remain in full force and effect to the extent, to which its validity or enforceability has not been affected.

##### 10.4. Costs

Each Party shall bear its own costs and expenses associated with entering by that Party into this Agreement.

##### 10.5. Effective date

This Agreement shall take effect upon signing.

##### 10.6. Copies and language

This Agreement is made in 3 (three) copies in English.

**IN WITNESS WHEREOF, the Parties have signed this Agreement on the date first above written.**


The Seller



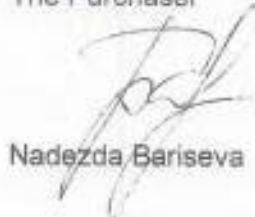
Dmitrijs Kalinovs

SIA Burinieki

Board member

Seller 

The Purchaser



Nadezda Bariseva

SIA North Star LTD

Board member

Hafnarfjordur

25. August, 2014

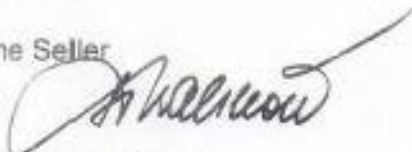
The Purchase shall transfer Purchase Price of the vessel accordance Agreement item 4.1 and 4.2 to the following account:

Salt Trading B.V.  
Celebesstraat 26  
2585 TJ Den Haag  
The Netherlands

KvK (ID NO) 27345472-BTW(VAT) NL820862757B01

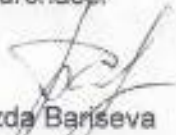
Bank: Rabobank, Korte Vijverberg 2,  
2513 AB Den Haag,  
The Netherlands  
BIC:RABONL2U  
IBAN:NL03RABO0136711413

The Seller



Dmitrijs Kalinovs  
SIA Burinieki  
Board member

The Purchaser



Nadezda Bariseva  
SIA North Star LTD  
Board member