



BRODOSPLIT

BRODOGRAĐEVNA INDUSTRIJA SPLIT, dioničko društvo

HR-21000 Split, Put Supavla 21, P.P. 517

+385 21 392 202, +385 21 391 201

+385 21 382 648 uprava@brodosplit.hr

www.brodosplit.hr

Star Clippers Ltd.
Attn. Mr. Mikael Krafft
Sassoon House
Victoria Avenue
Nassau, The Bahamas
Attn. Mr. Mikael Krafft

Re: Newbuilding Yard No. 483, Payment of Buyer's Supplied Group 2 Equipment

Split, 8 July 2019

Dear Mr Krafft,

1. Following termination by the Builder of the Shipbuilding Agreement for the construction of Hull No. 483 (the "**Vessel**"), dated 2nd October, 2014 as amended by Addenda No. 1-6 (the "**SBA**"), the Builder is entitled to sell the Vessel or finish the construction and then sell it, all in accordance with Art. 11 of the SBA.

2. The Buyer has supplied the equipment (masts, rigging, sails etc) referred to in the SBA as Buyer's Supply Group 2 (the "**Group 2 Equipment**"), which is not included in the Contract Price of the Vessel as per Art. 8.1 of the SBA. The Group 2 Equipment has been delivered to the Builder and installed on the Vessel or is intended for installation thereon.

3. The Buyer has a third ranking mortgage on the Vessel (the "**Mortgage**") as security for the value of the Group 2 Equipment, for the maximum amount of EUR 6,000,000 with interest thereon as defined in Art 3.2 of the Mortgage Agreement dated 29th June, 2017 (the "**Mortgage Agreement**"). The Builder wishes to pay to the Buyer the value of the Group 2 Equipment and discharge its obligations secured by the Mortgage, with simultaneous deletion of the Mortgage from the public registers in Croatia.

4. According to Art. 1.3 of the Mortgage Agreement, the Buyer must notify the Builder about the value of the Group 2 Equipment. The value must be equal to the amount of the invoices paid by the Buyer for purchase of such items. To date, the Buyer did not inform the Builder about this. Therefore, the Buyer is kindly requested to inform the Builder of the value of the Group 2 Equipment, and to provide copies of the invoices and proof of payment for said items. The Buyer is also requested to provide the bank account details to which payment can be made.

Member of DIV GROUP

MBS 060175040 Trgovački sud u Splitu | by Commercial Court in Split | IBAN HR5623600001102362264 (Zagrebačka banka d.d.)

SWIFT ZABHR2X MB 3141136 OIB 18556905592 EORI broj | number | HR18556905592 VAT broj | number | HR18556905592

Temeljni kapital 535.466.220,00 HRK uplaćen u cijelosti i podijeljen na 8.924.437 redovnih dionica pojedinačne nominalne vrijednosti 60,00 HRK | Share Capital in amount of 535.466.220,00 HRK has been fully paid and divided into 8.924.437 ordinary shares, each with nominal value of 60,00 HRK |

Uprava | Board of Directors | Tomislav Debeljak - predsjednik uprave | president | Zoran Kunkera - izvršni direktor | CEO |

Nadzorni odbor | Supervisory Board | Zdenko Šoš - predsjednik nadzornog odbora | president | Darko Pappo - zamjenik | deputy |

Tomislav Čorak - član | member | Teuta Duletić - član | member





BRODOSPLIT

BRODOGRAĐEVNA INDUSTRIJA SPLIT, dioničko društvo

HR-21000 Split, Put Supavla 21, P.P. 517

T +385 21 392 202, +385 21 391 201

F +385 21 382 648 E uprava@brodosplit.hr

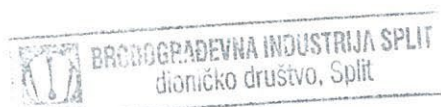
W www.brodosplit.hr

5. The above is without prejudice to Builder's rights arising from the Shipbuilding Agreement and applicable law, which are hereby fully reserved.

We look forward to receiving your reply within 7 days as from the date of this letter.

Kind regards,

Tomislav Debeljak



Member of DIV GROUP

MBS 060175040 Trgovački sud u Splitu | by Commercial Court in Split | IBAN HR5623600001102362264 (Zagrebačka banka d.d.)
SWIFT ZABHR2X MB 3141136 OIB 18556905592 EORI broj | number | HR18556905592 VAT broj | number | HR18556905592

Temeljni kapital 535.466.220,00 HRK uplaćen u cijelosti i podijeljen na 8.924.437 redovnih dionica pojedinačne nominalne vrijednosti 60,00 HRK |
Share Capital in amount of 535.466.220,00 HRK has been fully paid and divided into 8.924.437 ordinary shares, each with nominal value of 60,00 HRK |

Uprava | Board of Directors | Tomislav Debeljak - predsjednik uprave | president | Zoran Kunkera - izvršni direktor | CEO |

Nadzorni odbor | Supervisory Board | Zdenko Šoš - predsjednik nadzornog odbora | president | Darko Pappo - zamjenik | deputy |
Tomislav Čorak - član | member | Teuta Duletić - član | member

