

From: Helle Kjærstad / Gaby Sweidan
Direct phone: +44 (0)20 3116 3424 / 3575
Email: hkjaerstad@reedsmith.com /
GSweidan@reedsmith.com

Reed Smith LLP
The Broadgate Tower
20 Primrose Street
London EC2A 2RS
Tel +44 (0)20 3116 3000
Fax +44 (0)20 3116 3999
reedsmith.com

To: Cargo Interests

Cc: Oskar Wehr

Email: tk@wehrship.de;
topw@wehrship.de;
container@wehrtransport.de

1 December 2016

Dear Sirs,

URGENT - WEHR TRAVE - DISCHARGE OF CARGO

1. We are Reed Smith LLP, the law firm instructed on behalf of SBT Star Bulk & Tankers (Germany) GmbH & Co. KG (the “**Owner**”) c/o Oskar Wehr KG (GmbH & Co.), the disponent owner of the “Wehr Trave” (the “**Vessel**”).
2. As you might well be aware, the Owner entered into a time-charter dated 27 June 2016 for the “Wehr Trave” (the “**Charter**”) with Great Southern Shipping Australia Pty Ltd (the “**Charterer**”) but, as the Charterer repeatedly failed to pay hire and other sums due under the Charter, the Owner eventually had no option but to withdraw the Vessel and also to terminate the Charter despite the fact that various containers remain on board.
3. The Owner’s absolute priority is to ensure the prompt and safe discharge of the containers, despite the fact that cargo interests’ contracts are with the *Charterer* (not the Owner), and has set out below its strategy for achieving the same.

Discharge plan

4. The Owner intends to discharge all of your containers in Sydney. The Owner’s ability to proceed to discharge at Sydney is subject to all of the cargo interests whose containers are currently on board the Vessel agreeing to that disport and to pay the Charges (explained below).
5. As the Charterer is no longer paying hire, the Owner requires each of you, the cargo interests, to pay your proportionate share for the Owner’s care of the cargo and for the voyage from Shekhou to Sydney (the “**Charges**”) within 5 days of a copy of this letter being signed or of the Vessel steaming towards Sydney, whichever is sooner. The Charges are currently estimated to amount to USD 1,575 per 20ft container and USD 3,150 per 40ft container. We/Owners will

update you once the exact costs can be assessed. The rationale for requesting such payment is set out below.

6. First, the Owner is entitled to exercise a lien over any freight which you are due to pay to the Charterer in respect of the unpaid hire. Any unpaid freight must be paid to the following account belonging to Owner without any deduction, set-off or withholding:

SBT Star Bulk & Tankers (Germany) GmbH & Co. KG - Wehr Trave

With Deutsche Bank Privat- und Geschäftskunden AG

IBAN: DE62 2007 0024 0657 3760 27

BIC: DEUTDEDBHAM

If the amount of the unpaid freight is less than the Charges, then you will need to top up the amount of the freight that you pay to the Owner, so that the Owner receives the full amount of the Charges per container. To this end, we ask that each of you urgently (and individually) confirm the status of your freight payments.

7. Further and in the alternative, please be guided that Owners also have claims for the voyage costs based on lost opportunity, unjust enrichment and quantum meruit (which means "what one has earned"). The fact is that, following the termination of the Charter, if/to the extent that the Owner owes a duty to you to take care of the cargo and/or you provide voyage orders, the Owner has a correlative right to charge you for the expenses incurred in doing so.

Deadline

8. Please can you confirm by **11am London time tomorrow 2 December 2016** that you agree that (a) the Owner may discharge all of your containers at Sydney; and (b) that you will pay the Charges **within 5 days of a copy of this letter being signed or of the Vessel steaming towards Sydney, whichever is sooner**. The Owner's ability to proceed to discharge at Sydney is subject to agreement being received from all cargo interests whose containers are currently on board the Vessel.
9. **If you agree with the terms of this letter, please sign a copy of this letter (see page 3) and email a scanned copy to us.**
10. **Please also send us a copy of all bills of lading issued for your cargoes which remain on board (if you have not sent such bills already).**
11. Our contact details are at the top of this letter.
12. Your instructions to proceed with discharge, prior to sending us a signed copy of this letter, will amount to your acceptance of the terms of this letter.
13. As explained, the Owner's priority is to ensure the prompt and safe discharge of the containers, and we and the Owner very much look forward to cargo interests' co-operation in this regard. Please feel free to contact us with any questions that you might have.
14. All of the Owner's rights are reserved.

Yours faithfully,

Reed Smith

Reed Smith LLP

ACKNOWLEDGMENT

I am authorised to accept the terms of this letter on behalf of:

NAME OF CARGO OWNER/INTEREST:

(Please write clearly the full name of the Cargo Owner/Interest)

NAME OF SIGNATORY:

(Please write clearly the full name of the person signing this document on behalf of the Cargo Owner/Interest)

SIGNED:

(The Cargo Owner/Interest should please sign here)