

Engagement Agreement for Fund Structuring, ISIN Allocation, and Lombard Financing Arrangement

Date: [Date] 20th December 2024

Parties:

Ferdocean Shipping AS, a corporation duly incorporated and existing under the laws of Norway, with registered address at Sandnes Vestre Svanholmen 12, 4313 Sandnes, Norway hereinafter referred to as the “Client.”

SFMI, a corporation duly incorporated and existing under the laws of Switzerland, with registered address at 1/3 Rue Maurice, hereinafter referred to as “Service Provider.”

Recitals:

A. The Client wishes to create an investment structure, including an AMC note/fund and a subsequent Luxembourg-domiciled sub-fund (the “Structure”), with a view to obtaining a Lombard loan facility to leverage investments up to approximately 55% LTV.

B. The Client desires a single ISIN number for the financial instrument to be marketed to both institutional and retail investors.

C. The Service Provider has the expertise and capability to establish the necessary structures, coordinate the issuance of the ISIN, and arrange or facilitate negotiations with a financing institution for a Lombard loan based on the aggregated investment assets.

D. The Client has entrusted the Service Provider with the implementation, coordination, and advisory roles described herein.

1. Scope of Services

1.1 Structuring Services:

Assist in establishing a sub-fund in a suitable jurisdiction, distinct from the original AMC.

Coordinate with the necessary fund administrators, legal counsel, and trustees to ensure proper formation, regulatory approvals, and compliance with applicable laws.

This has been created for the client under the ISIN Number:

Imperium Investment Funds Limited; ISIN: BSP6268L1342 / VN: CH125374569

1.2 Luxembourg Fund Set-Up:

Advise and assist in channelling the sub-fund's assets into a Luxembourg-domiciled investment vehicle.

Coordinate with Luxembourg-based fund administrators, custodians, and legal counsel to ensure compliance with local regulatory requirements and facilitate investor onboarding.

1.3 ISIN Allocation:

Manage the process of obtaining a single ISIN number for the financial instrument to be issued by the fund. (beginning of January)

Work with listing agents, exchanges, and relevant authorities to ensure the instrument is marketable to both retail and institutional investors.

1.4 Lombard Financing Arrangement:

Identify and liaise with financial institutions willing to provide a Lombard loan facility secured by the Luxembourg fund's assets.

Negotiate terms aiming for an approximate 55% LTV ratio, subject to market conditions and the financial institution's credit assessment.

Provide documentation support and cooperate with lenders' due diligence requirements. (the amount of 55% is not guaranteed at this stage).

2. Responsibilities of the Client

2.1 Provision of Information:

The Client shall promptly provide all necessary documentation, financial statements, asset details, and all information required for compliance, KYC/AML checks, and regulatory approvals.

2.2 Fees and Costs:

The Client agrees to pay all agreed-upon management fees as per our initial contract.

2.3 Investment Commitments:

The Client acknowledges that achieving the target fund size (approx. EUR 20 million) is essential for negotiating favourable lending terms.

The Client agrees to provide or facilitate the necessary commitments to meet the initial sub-fund size and ongoing investment objectives.

3. Timeline

3.1 Implementation Period:

Within 4 to 8 weeks of signing this Agreement, the Service Provider shall present a project plan detailing the timeline for the second fund establishment, ISIN allocation, and securing the Lombard facility, knowing that the fund should be closed in the ISIN sent here above.

3.2 Milestones:

Formation of the sub-fund: within 0 weeks, DONE.

Luxembourg fund licensing and operational readiness: within 4 to 6 weeks thereafter

ISIN allocation and listing arrangements: within 1 week of sub-fund activation

Lombard loan negotiation and term sheet finalization: within 4 weeks from Luxembourg fund activation

4. Regulatory Compliance and Legal Requirements

4.1 The Service Provider will use commercially reasonable efforts to ensure that all services comply with applicable laws, regulations, and guidelines.

4.2 The Client acknowledges that achieving regulatory approvals and compliance is contingent on the accuracy, completeness, and timeliness of information provided by the Client and third parties.

5. Confidentiality

5.1 Both Parties agree to keep confidential all proprietary and non-public information shared in the course of this engagement.

5.2 Confidentiality obligations shall survive termination of this Agreement.

6. Representations and Warranties

6.1 By the Client: The Client represents and warrants that all information provided is true, complete, and not misleading, and that the Client has full authority to engage in the contemplated transaction.

6.2 By the Service Provider: The Service Provider represents and warrants that it is duly authorized and qualified to provide the agreed-upon services and will perform them with reasonable professional skill and care.

7. Limitation of Liability

7.1 Except in cases of gross negligence, fraud, or willful misconduct, the Service Provider's liability shall be limited to the fees actually paid by the Client for the services rendered under this Agreement.

7.2 In no event shall either Party be liable to the other for any indirect, incidental, special, or consequential damages arising from this Agreement.

Entire Agreement

This Agreement, together with its Appendices, constitutes the entire agreement between the Parties and supersedes all prior understandings and representations. No amendments or modifications shall be effective unless in writing and signed by both Parties.

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

For the Client:

Name: FERDOCEAN SHIPPING AS

Title: CEO

RUNAR NILSEN

Signature: _____

Date: _____

For the Service Provider:

Name: SFMI

Title: CEO

CARLOS KHOURY

MISSING

Complete KYC/AML checks and investor suitability assessments.
TO BE SENT FIRST OF JAN