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LIQUIDATION TRUSTEE

TERMS OF JUDICIAL SALE FOR THE VESSELS
FV “FONG SEONG 668” AND FV “FONG SEONG 696”

VESSELS:

Name: “Fong Seong 668” Class: Pelagic Purse Seiner Fishing Vessel Built: 2004 By: Ching Fu Shipbuilding, Taiwan Call Sign: YJUD2 IMO: 8996102 Official No: 1540 Port of Registry: Port Vila, Vanuatu	Name: “Fong Seong 696” Class: Pelagic Purse Seiner Fishing Vessel Built: 1999 By: Ching Fu Shipbuilding, Taiwan Call Sign: YJRJ7 IMO: 9220299 Official No: 1215 Port of Registry: Port Vila, Vanuatu
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Pelagic Purse Seiner Fishing Vessels FV “Fong Seong 668” and FV “Fong Seong 696,” as described above, their their engines, masts, bowsprits, boats, anchors, chains, cables, rigging, apparel, furniture, and all necessities pertaining thereto (the “Vessels”) located in Majuro Lagoon, the Republic of the Marshall Islands are the subject of this Judicial Sale by the High Court of the Republic of the Marshall Islands.

CURRENT SALE SCHEDULE (as of June 30, 2018):

SALE DATE: JULY 31st, 2018, MONDAY AT 10:00 A.M.

PLACE OF SALE: MAJURO, MARSHALL ISLANDS RESORT, CONFERENCE ROOM

LIQUIDATION TRUSTEE: Mr. Basil M Karatzas (the “Liquidation Trustee”) by order of the High Court of the Republic of Marshall Islands (RMI) has been appointed the Liquidation Trustee, to act on behalf of the Court for the sale of the Vessels, for the benefit of all creditors. The Liquidation Trustee has full and sole authority handling the sale process of the Vessels, setting forth terms of the sale, negotiating with potential buyers, modifying the date of sale, and accepting any of the offers for sale or rejecting any and all offers. The Liquidation Trustee may reasonably amend the terms of the sale, at any time, in order to maximize the sale price for the Vessels. Offer deposit and purchase money of winning buyer shall be through the entity and bank account designated by the Liquidation Trustee as follows: Entrance International, Inc. Liquidation Trustee.

JUDICIAL SALE ESSENTIAL TERMS: The Vessels shall be sold “as-is” and “where-is,” in a fair and public manner, so as to obtain a fair liquidation value as prescribed by the RMI High Court. Following complete fulfillment of the winning buyer’s payment obligations, the RMI High Court shall issue Order Vesting Title to the winning buyer, reflecting the Vessels new ownership

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and clearance of all prior encumbrances to title, suitable for the registration of the Vessels by the new owner. Except where specified by High Court Court Order, no warranties, whatsoever, are provided regarding the condition, delivery or fitness of the Vessels, or otherwise.

COMMUNICATION: Liquidation Trust may be contacted by email at info@bmkaratzas.com or by telephone at +1 713 545 5990. General Information about the Vessels and general announcements may be found on the web at www.karatzas.auction ; qualified buyers may request to obtain password credentials to access legal documents and vessels' certificates and documentation online on said website.

INTERESTED BUYERS: Interested Buyers may be required to provide full company background including years in business, numbers of vessels owned and operated, approximate annual revenues, recent vessel acquisitions / dispositions, and naming of their primary banking relationships and their primary law firm. Password credentials and other proprietary information, including permission to inspect the Vessels will only be granted to Interested Buyers approved by Liquidation Trustee (Qualified buyers). Interested Buyers may opt to express their buying interest via ship-broker(s); in the case of ship-broker(s) expressing buying interest, naming of their direct client (Interested Buyer) is required, along with information set forth required of Interested Buyers.

Important Disclaimer: ship-brokerage commissions to ship-brokers shall be paid by their prospective Interested Buyers; the Liquidation Trustee absolutely shall not pay or authorize to pay any ship-brokerage commissions.

INSPECTION OF THE VESSELS: Vessels are located in Majuro Lagoon, Republic of Marshall Islands. Qualified Buyers are invited to inspect the Vessels and their available documents between July 18th and July 31st, 2018, conditioned upon providing Liquidation Trustee with reasonable advance notice of their intent to inspect the Vessels, the dates and times of their intended inspection, and a copy of valid passport of each of their inspector(s) or designee(s) that intend to board the Vessels. Invitations to board are at the visitor's own risk, and the Liquidation Trustee and High Court, and their respective delegates and agents, accept no duty relating to the assistance, aid or safety of those who may board.

OFFERS: Qualified Buyers interested in purchasing the Vessels must submit a firm offer of certain duration, which in no case shall expire sooner than fourteen (14) days following the Liquidation Trustee's then-contemplated Sale Date. Whether Qualified Buyers have exercised their option to or waived their right to physically inspect the Vessels, all offers to purchase the Vessels are subject exclusively to these Terms of Judicial Sale on an "as is, where is" basis. Conditional offers absolutely will not be considered. Upon the Liquidation Trustee's acceptance of a Qualified Buyer's offer, the Qualified Buyer's obligation to tender complete purchase money price for the Vessels is final and irrevocable, regardless of the Vessels' condition or worth.

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DEADLINE FOR OFFERS: Offers may be submitted electronically to Liquidation Trustee by email at info@bmkaratzas.com prior to RMI close-of-business (1700, GMT +12) on July 28th, 2018. For sake of good order, acknowledgement notice to be provided via email by Liquidation Trustee to all qualified bidders within hours of receiving each offer.

ROUNDS OF OFFERING: At Liquidation Trustee's sole discretion, highest bidders may be invited to second round of bidding, or be allowed to improve the purchase amount offered against competing offers. Again, at Liquidation Trustee's sole discretion, yet a third round of bidding may be extended with Qualified Barterers. Liquidation Trustee may reject any offers that are conditional or not outright, or even cancel the sale of the Vessels if offers are deemed to low or non-competitive, in Liquidation Trustee's sole discretion.

SECURITY DEPOSIT: All offers, to be considered for second and higher rounds of bidding, must be accompanied by immediate tender of cash (U.S. Dollars) deposit in the amount of thirty-percent (30%) of the total purchase price of the first-round-offer, which must be promptly received in the Liquidation Trustee's designated bank account. Non-winning bidders shall be refunded their deposit (net of any banking fees) within three banking days of being notified by Liquidation Trust of their unsuccessful effort to acquire the Vessels. Winning bidder failing to timely tender full payment of offer total price, failing to perform as per the terms of this sale or otherwise failing to successfully execute on the purchase of the Vessels, will have their deposit forfeited for the absolute benefit of the Liquidation Trustee's designated account, and forfeited deposit to be passed on to creditors once Vessels have been successfully sold in subsequent sale effort.

PRIVACY: Information on Interested and Qualified Buyers and their companies and bidding offers shall remain private and confidential. Liquidation Trustee retains the right to utilize such information for certain purposes, such as maximizing the sale price for the Vessels, for due diligence reasons, or as otherwise may be allowed by RMI law. Information on Interested and Qualified Buyers and their companies and bidding offers may be shared with the Marshall Islands High Court or other competent jurisdictions, upon request of the Court of the subject Qualified Bidder.

CLOSING: Closing shall take place in Majuro, Marshall Islands within ten (10) calendar days of the Liquidation Trustee's acceptance of the winning buyer's offer. At day and time of closing, the outstanding balance of the purchase price, and any other monies dues if so agreed, shall be secured in Liquidation Trustee's designated bank account.

FINALITY: Sale of the Vessels is irrevocable and final, regardless of the Vessels' quality, condition, seaworthiness, commercial suitability, or other attributes. Parties submitting offers shall bear all risk of changes in the Vessels material attributes from time date of issuance of offer. Interested Buyers shall be deemed exclusively responsible for exercising their own due diligence.

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Issuance of High Court Order Vesting Title is expected shortly after successful closing, however in the interim of closing and issuance of Court Order, the winning buyer's crew may board and conduct work on the vessels, as deemed prudent in the Liquidation Trustee's discretion.

LIQUIDATION TRUSTEE'S ABSOLUTE AUTHORITY: Liquidation Trustee's sole discretion and judgment, within the scope of the relevant Court Order, will be the ultimate and final arbiter of selecting best offers, determining rounds of further bidding, possible modification of the terms of the sale, rejection of any offers for whatever reason, and determination of whether best price achieved has been sufficiently competitive to fulfill the court mandate to maximize liquidation value. In all aspects and instances relating to the Vessels, within the scope of the relevant Court Order, the Liquidation Trustee does not act personally, but acts as agent and fiduciary to the Court, rather than in a personal or private capacity.