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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report:

Commission file number: 1-33373

CAPITAL PRODUCT PARTNERS L.P.

(Exact name of Registrant as specified in its charter)

Republic of The Marshall Islands
(Jurisdiction of incorporation or organization)

3 Iassonos Street, Piraeus, 18537 Greece
+30 210 458 4950
(Address and telephone number of principal executive offices and company contact person)

Ioannis E. Lazaridis, i.lazaridis@capitalpplp.com
(Name and Email of company contact person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common units representing limited partnership interests	**Nasdaq Global Market**

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**
Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

88,440,710 Common Units
1,765,457 General Partner Units
18,922,221 Class B Convertible Preferred Units

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

YES ☐ NO ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

YES ☐ NO ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.)

YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definitions of “accelerated filer” and “large accelerated filer” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ **Accelerated filer ☒** **Non-accelerated filer ☐**

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ **International Financial Reporting Standards as issued by the International Accounting Standards Board ☐** **Other ☐**

If “Other” has been checked in response to the previous question, indicate by check mark which financial statements item the registrant has elected to follow.

ITEM 17 ☐ ITEM 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES ☐ NO ☒

CAPITAL PRODUCT PARTNERS L.P.

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FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F (the "Annual Report") should be read in conjunction with our audited consolidated financial statements and accompanying notes included herein.

Our disclosure and analysis in this Annual Report concerning our business, operations, cash flows, and financial position, including, in particular, the likelihood of our success in developing and expanding our business, include forward-looking statements. In addition, we and our representatives may from time to time make other oral or written statements which are also forward-looking statements. Such statements include, in particular, statements about our plans, strategies, business prospects, changes and trends in our business, financial condition and the markets in which we operate, and involve risks and uncertainties. In some cases, you can identify the forward-looking statements by the use of words such as "may", "could", "should", "would", "expect", "plan", "anticipate", "likely", "intend", "forecast", "believe", "estimate", "project", "predict", "propose", "potential", "continue", "seek" or the negative of these terms or other comparable terminology. Although these statements are based upon assumptions we believe to be reasonable based upon available information, including projections of revenues, operating margins, earnings, cash flow, working capital and capital expenditures, they are subject to risks and uncertainties that are described more fully in this Annual Report in "Item 3D: Risk Factors" below. These forward-looking statements represent our estimates and assumptions only as of the date of this Annual Report and are not intended to give any assurance as to future results. As a result, you are cautioned not to rely on any forward-looking statements. Forward-looking statements appear in a number of places in this Annual Report and include statements with respect to, among other things:

- expectations of our ability to make cash distributions on our common units and the Class B Convertible Preferred Units (the "Class B Units"), which rank senior to our common units and receive distributions prior to any distributions on our common units;
- our ability to increase our distributions over time;
- global economic outlook and growth;
- shipping conditions and fundamentals, including the balance of supply and demand in the tanker, drybulk and container markets in which we operate, as well as trends and conditions in the newbuilding markets and scrapping of older vessels;
- increases in domestic or worldwide oil consumption;
- future supply of, and demand for, refined products and crude oil;
- future refined product and crude oil prices and production;
- our ability to operate in new markets, including the container carrier market;
- tanker, drybulk and container carrier industry trends, including charter rates and factors affecting the chartering of vessels;
- our future financial condition or results of operations and our future revenues and expenses, including revenues from profit sharing arrangements and required levels of reserves;
- future levels of operating surplus and levels of distributions, as well as our future cash distribution policy;
- future charter hire rates and vessel values;
- anticipated future acquisition of vessels from Capital Maritime & Trading Corp. ("Capital Maritime" or "CMTC") and from third parties;
- anticipated future chartering arrangements with Capital Maritime and third parties;
- our ability to leverage to our advantage Capital Maritime's relationships and reputation in the shipping industry;
- our ability to compete successfully for future chartering and newbuilding opportunities;
- our current and future business and growth strategies and other plans and objectives for future operations;
- our ability to access debt, credit and equity markets;
- changes in the availability and costs of funding due to conditions in the bank market, capital markets and other factors;
- our ability to refinance our debt and/or achieve further postponement of any amortization of our debt if necessary under the current terms of our credit facilities;
- the ability of our customers to meet their obligations under the terms of our charter agreements, including the timely payment of the rates under the agreements;
- the financial viability and sustainability of our customers;

- changes in interest rates and any interest rate hedging practices in which we may engage;
- the debt amortization payments and repayment of debt and settling of interest rate swaps we may make, if any;
- the effectiveness of our risk management policies and procedures and the ability of counterparties to our derivative contracts to fulfill their contractual obligations;
- planned capital expenditures and availability of capital resources to fund capital expenditures;
- our ability to maintain long-term relationships with major refined product importers and exporters, major crude oil companies and major commodity traders;
- the ability of our manager, Capital Ship Management Corp., a subsidiary of Capital Maritime ("Capital Ship Management"), to qualify for short- and long-term charter business with oil major charterers and oil traders;
- our ability to maximize the use of our vessels, including the redeployment or disposition of vessels no longer under long-term time charter;
- our continued ability to enter into long-term, fixed-rate time charters with our charterers and to recharter our vessels as their existing charters expire at attractive rates;
- the changes to the regulatory requirements applicable to the oil transportation industry, including, without limitation, stricter requirements adopted by international organizations, such as the International Maritime Organization and the European Union, or by individual countries or charterers and actions taken by regulatory authorities and governing such areas as safety and environmental compliance;
- the expected cost of, and our ability to comply with, governmental regulations and maritime self-regulatory organization standards, including with new environmental regulations and standards being introduced, as well as with standard regulations imposed by our charterers applicable to our business;
- the impact of heightened regulations and the actions of regulators and other government authorities, including anti-corruption laws and regulations, as well as sanctions and other governmental actions;
- our anticipated general and administrative expenses and our costs and expenses under the management agreements and the administrative services agreement with our manager, and for reimbursement for fees and costs of Capital GP L.L.C., our general partner;
- increases in costs and expenses including but not limited to: crew wages, insurance, provisions, port expenses, lube oil, bunkers, repairs, maintenance and general and administrative expenses;
- the adequacy of our insurance arrangements and our ability to obtain insurance and required certifications;
- the impact of the floating fee structure under which an increasing number of our vessels are managed on operating expenses;
- potential increases in costs and expenses under our management agreements following expiration and/or renewal of such agreements in connection with certain of our vessels;
- the impact of heightened environmental and quality concerns of insurance underwriters and charterers;
- the anticipated taxation of our partnership and distributions to our common and Class B unitholders;
- estimated future maintenance and replacement capital expenditures;
- expected demand in the shipping sectors in which we operate in general and the demand for our crude oil and medium range vessels in particular;
- the expected lifespan and condition of our vessels;
- our ability to employ and retain key employees;
- our track record, and past and future performance, in safety, environmental and regulatory matters;
- potential liability and costs due to environmental, safety and other incidents involving our vessels;
- the effects of increasing emphasis on environmental and safety concerns by customers, governments and others, as well as changes in maritime regulations and standards;
- expected financial flexibility to pursue acquisitions and other expansion opportunities;
- anticipated funds for liquidity needs and the sufficiency of cash flows; and
- future sales of our units in the public market.

These and other forward-looking statements are made based upon management's current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties, including those risks discussed in "Item 3D: Risk Factors" below. The risks, uncertainties and assumptions involve known and unknown risks and are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

Unless required by law, we expressly disclaim any obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement. You should carefully review and consider the various disclosures included in this Annual Report and in our other filings made with the U.S. Securities and Exchange Commission (the "SEC") that attempt to advise interested parties of the risks and factors that may affect our business, prospects and results of operations.

PART I

Item 1. Identity of Directors, Senior Management and Advisors.

Not Applicable.

Item 2. Offer Statistics and Expected Timetable.

Not Applicable.

Item 3. Key Information.

A. Selected Financial Data

We have derived the following selected historical financial data for the three years ended December 31, 2013, and as of December 31, 2013 and 2012, from our audited consolidated financial statements as of and for the years ended December 31, 2013, 2012 and 2011 (the "Financial Statements") respectively, appearing elsewhere in this Annual Report. The historical financial data presented as of December 31, 2011, 2010 and 2009 and for the years ended December 31, 2010 and 2009 have been derived from audited financial statements not included in this Annual Report and are provided for comparison purposes only. Our historical results are not necessarily indicative of the results that may be expected in the future. Different factors affect our results of operations, including amongst others, the number of vessels in our fleet, prevailing charter rates, management and administrative services fees, as well as financing and interest swap arrangements we enter into. Consequently, the below table should be read together with, and is qualified in its entirety by reference to, the Financial Statements and the accompanying notes included elsewhere in this Annual Report. The table should also be read together with "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations".

Our Financial Statements are prepared in accordance with United States generally accepted accounting principles as described in Note 1 (Basis of Presentation and General Information) to the Financial Statements included herein. All numbers are in thousands of U.S. Dollars, except numbers of units and earnings per unit.

	Year ended December 31,				
	2013	**2012**	**2011**	**2010[1]**	**2009[1]**
Income Statement Data:					
Revenues	$ 116,520	$ 84,012	$ 98,517	$ 113,562	$ 134,519
Revenues – related party	54,974	69,938	31,799	11,030	–
Total revenues	171,494	153,950	130,316	124,592	134,519
Expenses:					
Voyage expenses [2]	5,776	5,114	11,565	7,009	3,993
Voyage expenses – related party [2]	314	554	165	–	–
Vessel operating expenses [3]	38,284	22,126	4,949	1,034	2,204
Vessel operating expenses—related party [3]	17,039	23,634	30,516	30,261	30,830
General and administrative expenses	9,477	9,159	10,609	3,506	2,876
Loss / (gain) on sale of vessels to third parties	7,073	(1,296)	–	–	–
Depreciation and amortization	52,208	48,235	37,214	31,464	30,685
Vessels' impairment charge	–	43,178	–	–	–
Total operating expenses	130,171	150,704	95,018	73,274	70,588
Operating income	41,323	3,246	35,298	51,318	63,931
Gain from bargain purchase	42,256	–	82,453	–	–
Gain on sale of claim	31,356	–	–	–	–
Interest expense and finance costs	(15,991)	(26,658)	(33,820)	(33,259)	(32,675)
Gain on interest rate swap agreement	4	1,448	2,310	–	–
Interest and other income	533	775	879	860	1,460
Partnership's net income / (loss)	$ 99,481	$ (21,189)	$ 87,120	$ 18,919	$ 32,716

	Year ended December 31,				
	2013	2012	2011	2010[1]	2009[1]
Class B unit holders' interest in our net income / (loss)	18,805	10,809	–	–	–
General partner's interest in our net income / (loss)	1,598	(640)	1,742	359	584
Limited and subordinated unit holders' interest in our net income / (loss)	79,078	(31,358)	85,378	17,577	28,641
Net income / (loss) allocable to limited partner per [4]:					
Common unit basic	1.04	(0.46)	1.78	0.54	1.15
Subordinated unit basic	–	–	–	–	1.17
Total unit basic	1.04	(0.46)	1.78	0.54	1.15
Common unit diluted	1.01	(0.46)	1.78	0.54	1.15
Subordinated unit diluted	–	–	–	–	1.17
Total unit diluted	1.01	(0.46)	1.78	0.54	1.15
Weighted–average units outstanding basic					
Common units	75,645,207	68,256,072	47,138,336	32,437,314	23,755,663
Subordinated units	–	–	–	–	1,061,488
Total units	75,645,207	68,256,072	47,138,336	32,437,314	24,817,151
Weighted–average units outstanding diluted					
Common units	97,369,136	68,256,072	47,138,336	32,437,314	23,755,663
Subordinated units	–	–	–	–	1,061,488
Total units	97,369,136	68,256,072	47,138,336	32,437,314	24,817,151
Balance Sheet Data (at end of period)**:**					
Vessels, net and under construction [10] [11] [16]	$ 1,176,819	$ 959,550	$ 1,073,986	$ 707,339	$ 703,707
Total assets	1,401,772	1,070,128	1,196,289	758,252	760,928
Total partners' capital / stockholders' equity [6] [7] [8] [9] [12] [13] [14] [15]	781,426	573,828	517,326	239,760	188,352
Number of units	109,128,388	86,343,388	70,787,834	38,720,594	25,323,623
Common units	88,440,710	69,372,077	69,372,077	37,946,183	24,817,151
Class B units	18,922,221	15,555,554	–	–	–
Subordinated units [5]	–	–	–		–
General Partner units	1,765,457	1,415,757	1,415,757	774,411	506,472
Dividends declared per common and subordinated unit	$ 0.93	$ 0.93	$ 0.93	$ 1.09	$ 2.27
Dividends declared per class B unit	0.86	0.48	–	–	–
Cash Flow Data:					
Net cash provided by operating activities	129,576	84,798	56,539	50,051	72,562
Net cash (used in) / provided by investing activities	(335,346)	15,935	(16,656)	(79,202)	(55,770)
Net cash provided by / (used in) financing activities	226,191	(110,552)	(18,984)	58,070	(56,389)

(1) The results of operations for the vessels set out below are included in our income statements for the periods prior to their acquisitions by us, as described below, as these vessels were acquired from an entity under common control. However, such earnings for the periods prior to their acquisitions were not allocated to our unitholders and were not included in the cash available for distribution calculation. Specifically, we refer to the amount of historical earnings per unit for:

a) the period from January 1, 2009 to April 6, 2009 and April 12, 2009 for the M/T Agamemnon II, and M/T Ayrton II respectively;

b) the year ended December 31, 2009 and for the period from January 1, 2010 to June 29, 2010 for the M/T Alkiviadis; and

c) the period from April 13, 2009 to December 31, 2009 and from January 1, 2010 to February 28, 2010 for the M/T Atrotos.

(2) Vessel voyage expenses primarily consist of commissions, port expenses, canal dues and bunkers.

(3) Our vessel operating expenses have consisted of management fees payable to Capital Ship Management, our manager, pursuant to the terms of our three separate management agreements and actual operating expenses such as crewing, repairs and maintenance, insurance, stores, spares, lubricants and other operating expenses incurred by our vessels.

(4) On January 1, 2009, we adopted accounting guidance newly available at the time relating to the Application of the Two-Class Method and its application to Master Limited Partnerships which considers whether the incentive distributions of a master limited partnership represent a participating security when considered in the calculation of earnings per unit under the Two-Class Method. This guidance also considers whether our Second Amended and Restated Agreement of Limited Partnership, as amended (the "partnership agreement") contains any contractual limitations concerning distributions to the incentive distribution rights that would impact the amount of earnings to allocate to the incentive distribution rights for each reporting period. According to the two class method, the portion of net income allocated to nonvested shares reduces the net income available to common unitholders.

(5) Following the early termination of the subordination period on February 14, 2009, all of our 8,805,522 subordinated units converted into common units on a one-for-one basis.

(6) In February and August 2010, we completed two equity offerings of 6,281,578 and 6,052,254 common units, which include the partial exercise of the underwriters' overallotment option of 481,578 and 552,254 common units, respectively. During the same periods we issued, in exchange for cash, 128,195 and 123,515 general partner units, respectively, to our general partner in order for it to maintain its 2% interest in us.

(7) On August 31, 2010, we issued, either directly or through our general partner, 795,200 restricted units to the members of our board of directors, to all employees of our general partner, our manager, Capital Maritime and certain key affiliates and other eligible persons. Please read "Item 6E: Share Ownership—Omnibus Incentive Compensation Plan" and Note 14 (Omnibus Incentive Compensation Plan) to our Financial Statements included herein for additional information.

(8) On June 9, 2011, we completed the acquisition of Patroklos Marine Corp., the vessel owning company of the M/V Cape Agamemnon, from Capital Maritime. The acquisition was funded through $1.5 million from available cash and the incurrence of $25.0 million of debt under a new credit facility entered into in 2011 (as amended, the "2011 credit facility") and the remainder through the issuance of 6,958,000 common units to Capital Maritime. On September 30, 2011 we completed a merger with Crude Carriers Corp., a company incorporated in 2009 under the laws of The Marshall Islands, ("Crude Carriers" or "Crude") in a unit-for-share transaction. The exchange ratio was 1.56 of our common units for each Crude Carriers share.

(9) In accordance with certain subscription agreements entered into on May 11 and June 6, 2012, we issued a total of 15,555,554 Class B units to a group of investors, including Capital Maritime, and received net proceeds of $136.4 million, which, together with an amount of $13.2 million from our available cash, were used to prepay bank debt of $149.6 million.

(10) During the first half of 2012, we sold the M/T Attikos and the M/T Aristofanis, the two small tankers in our fleet, to unrelated third parties. The proceeds from these sales plus cash were used to repay bank debt of $20.5 million.

(11) On December 22, 2012, we acquired all of Capital Maritime's interest in its wholly owned subsidiaries that owned the two 7,943 twenty foot equivalent ("TEU") container carrier vessels M/V Archimidis and M/V Agamemnon, in exchange for all of our interest in our wholly owned subsidiaries that owned the two Very Large Crude Carriers ("VLCC") M/T Alexander the Great and M/T Achilleas. Capital Maritime paid a total net consideration of $0.3 million in connection with this transaction and has waived any compensation for the early termination of the charters of the two VLCCs. In view of this transaction we repaid $5.2 million in debt. As a consequence of this exchange we recognized an impairment charge of $43.2 million in our consolidated statements of comprehensive income / (loss) which was the result of the difference between the carrying and the fair market value of the M/T Alexander the Great and M/T Achilleas on the date of the exchange.

(12) In accordance with a subscription agreement entered into on March 15, 2013, we issued a total of 9,100,000 Class B units to a group of investors, including Capital Maritime, and received net proceeds of $72.6 million, which, together with a $54.0 million draw down from our existing $350.0 million credit facility entered into in 2008 (as amended, the "2008 credit facility") and an amount of $3.4 million from our available cash, were used to acquire the shares of two separate vessel owning companies, each of which owns a 5,000 TEU high specification container vessel, built in 2013, from Capital Maritime at a price of $65.0 million each.

(13) In August 2013, we completed an equity offering of 13,685,000 common units, which included the full exercise of the underwriters' overallotment option of 1,785,000 common units, receiving net proceeds of $119.8 million after deducting expenses related to the offering. The net proceeds together with a draw down of $75.0 million from our new term loan facility of up to $225.0 million we entered into during 2013 (as amended, the "2013 credit facility"), and together with $0.2 million from our available cash were used to fund the acquisition cost of three separate vessel owning companies each of which owned a 5,000 TEU high specification container vessel, built in 2013, from Capital Maritime at a price of $65.0 million each.

(14) In August 2013, we issued 349,700 general partner units to our general partner in exchange for a capital contribution of 349,700 common units, in order for it to maintain its 2% interest in us.

(15) In July, August, October and December 2013, certain holders of our Class B Units converted 5,733,333 Class B Units into common units in accordance with the terms of the partnership agreement.

(16) In November 2013, we sold the M/T Agamemnon II (51,238 dwt IMO II/III Chemical Product Tanker built 2008, STX Shipbuilding & Offshore, S. Korea) at a price of $33.5 million to unaffiliated third parties. Furthermore in November 2013, we acquired an eco-type MR product tanker the M/T Aristotelis (51,604 dwt IMO II/III Chemical Product Tanker built 2013, Hyundai Mipo Dockyard Ltd, S. Korea). The acquisition price of $38.0 million was funded from the selling proceeds of the M/T Agamemnon II and from Capital Product Partners L.P.'s (the "Partnership" or "CPLP") available cash. The M/T Aristotelis replaced the M/T Agamemnon II as a security under the Partnership's credit facility entered into in 2007 of $370.0 million (as amended, the "2007 credit facility").

Please read "Item 4A: History and Development of the Partnership—2013 Developments" and Note 3 (Acquisitions), Note 5 (Vessels), Note 7 (Long Term Debt), and Note 13 (Partners' Capital) to our Financial Statements included herein for additional information.

B. Capitalization and Indebtedness.

Not applicable.

C. Reasons for the Offer and Use of Proceeds.

Not applicable.

D. Risk Factors

An investment in our securities involves a high degree of risk. Some of the following risks relate principally to the countries and the industry in which we operate and the nature of our business in general. Although many of our business risks are comparable to those of a corporation engaged in a similar business would face, limited partner interests are inherently different from the capital stock of a corporation. In particular, if any of the following risks actually occurs, our business, financial condition or operating results could be materially adversely affected. In that case, we might not be able to pay distributions on our common units or Class B Units, the trading price of our common units could decline and you could lose all or part of your investment.

RISKS RELATING TO THE TANKER INDUSTRY

Global economic conditions may have a material adverse effect on our ability to pay distributions as well as on our business, financial position, distributions and results of operations, and, along with changes in the oil markets, could result in decreased demand for our vessels and services, and could materially affect our ability to recharter our vessels at favorable rates.

Oil has been one of the world's primary energy sources for a number of decades. The global economic growth of previous years had a significant impact on the demand for oil and subsequently on the oil trade and shipping demand. However, the past five years were marked by a major economic slowdown which has had, and continues to have, a significant impact on world trade, including the oil trade. Global economic conditions remain fragile with significant uncertainty remaining with respect to recovery prospects, levels of recovery and long-term economic growth effects. In particular, the uncertainty surrounding the future of the Euro zone, the economic prospects of the United States and the future economic growth of China, Brazil, Russia, India and other emerging markets are all expected to affect demand for product and crude tankers going forward. Demand for oil and refined petroleum products remains weak as a result of the weak global economic environment, which in combination with the diminished availability of trade credit and deteriorating international liquidity conditions, led to decreased demand for tanker vessels, creating downward pressure on charter rates. This economic downturn has also affected vessel values overall. Despite global oil demand growth remaining marginally positive for 2013, charter rates for product and crude tankers remained, and continue to be, at historically low levels. Continuing positive oil demand growth is expected to come primarily from emerging markets which have been historically volatile, such as China and India, and a slowdown in these countries' economies may severely affect global oil demand growth, and may result in protracted, reduced consumption of oil products and a decreased demand for our vessels and lower charter rates, which could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to make cash distributions.

If these global economic conditions persist we may not be able to operate our vessels profitably or employ our vessels at favorable charter rates as they come up for rechartering. In the long term, oil demand may also be reduced by an increased reliance on alternative energy sources and/or a drive for increased efficiency in the use of oil as a result of environmental concerns or high oil prices. Furthermore, a significant decrease in the market value of our vessels may cause us to recognize losses if any of our vessels are sold or if their values are impaired, and may affect our ability to comply with our loan covenants. A deterioration of the current economic and market conditions or a negative change in global economic conditions or the product or crude tanker markets would be expected to have a material adverse effect on our business, financial position, results of operations and ability to make cash distributions and comply with our loan covenants, as well as our future prospects and ability to grow our fleet.

Charter rates for tanker vessels are highly volatile and are currently near historically low levels and may further decrease in the future, which may adversely affect our earnings and our ability to make cash distributions, as we may not be able to recharter our vessels or we may not be able to recharter them at competitive rates.

The shipping industry is cyclical, which may result in volatility in charter hire rates and vessel values. We may not be able to successfully charter our vessels in the future or renew existing charters at the same or similar rates. Charter hires are currently near historically low levels and may further decrease in the future, which may adversely affect our earnings as we may not be able to recharter our vessels for period charters at competitive rates or at all. We are particularly exposed to the fundamentals of the product and crude tanker markets as the majority of the vessels in our fleet are tankers and all the period charters scheduled to expire over the next 12 month period relate to tanker vessels. We may only be able to recharter these vessels at reduced or unprofitable rates as their current charters expire, or we may not be able to recharter these vessels at all. In the event the current low rate environment continues and charterers do not display an increased interest in chartering vessels for longer periods at improved rates, we may not be able to obtain competitive rates for our vessels and our earnings and distributions may be adversely affected. Even if we manage to successfully charter our vessels in the future, our charterers may go bankrupt or fail to perform their obligations under the charter agreements, they may delay payments or suspend payments altogether, they may terminate the charter agreements prior to the agreed-upon expiration date or they may attempt to renegotiate the terms of the charters. If we are required to enter into a charter when charter hire rates are low, our results of operations and our ability to make cash distributions to our unitholders could be adversely affected.

Alternatively, we may have to deploy these vessels in the spot market, which, although common in the tanker industry, is cyclical and highly volatile, with rates fluctuating significantly based upon demand for oil and oil products and tanker supply, amongst others. In the past, the spot market has also experienced periods when spot rates have declined below the operating cost of vessels and currently charter rates in the spot market are also close to historical lows. The successful operation of our vessels in the spot market depends upon, among other things, obtaining profitable spot charters and minimizing, to the extent possible, time spent waiting for charters and time spent traveling unladen to pick up cargo. Furthermore, as charter rates for spot charters are fixed for a single voyage which may last up to several weeks, during periods in which spot charter rates are rising, we will generally experience delays in realizing the benefits from such increases.

The demand for period charters may not increase and the tanker charter market may not significantly recover over the next several months or may decline further. The occurrence of any of these events could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to meet our obligations and to make cash distributions.

In addition, the market value and charter hire rates of product and crude oil tankers can fluctuate substantially over time due to a number of different factors outside of our control, including:

- the supply for oil and oil products which is influenced by, amongst others:
  - international economic activity;
  - geographic changes in oil production, processing and consumption;
  - oil price levels;
  - inventory policies of the major oil and oil trading companies;
  - competition from alternative sources of energy; and
  - strategic inventory policies of countries such as the United States, China and India.
- the demand for oil and oil products;
- regional availability of refining capacity;
- prevailing economic conditions in the market in which the vessel trades;
- availability of credit to charterers and traders in order to finance expenses associated with the relevant trades;
- regulatory change;
- lower levels of demand for the seaborne transportation of refined products and crude oil;

- increases in the supply of vessel capacity; and
- the cost of retrofitting or modifying existing ships, as a result of technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, or otherwise.

The market value of vessels is influenced by the ability of buyers to access bank finance and equity capital and any disruptions to the market and the possible lack of adequate available finance may negatively affect such market values. If we sell a vessel at a time when the market value of our vessels has fallen, the sale may be at less than the vessel's carrying amount, resulting in a loss. In addition, a decrease in the future charter rate and/or market value of our vessels could potentially result in an impairment charge. A decline in the market value of our vessels could also lead to a default under any prospective credit facility to which we become a party, affect our ability to refinance our existing credit facilities and/or limit our ability to obtain additional financing.

Increasing self-sufficiency in energy by the United States could lead to a decrease in imports of oil to that country, which to date has been one of the largest importers of oil worldwide.

The United States is expected to overtake Saudi Arabia as the world's top oil producer by 2017, according to an annual long-term report by the International Energy Agency ("IEA"). The steep rise in shale oil and gas production is expected to push the country toward self-sufficiency in energy. In recent years the share of total U.S. consumption met by total liquid fuel net imports, including both crude oil and products, has been decreasing since peaking at over 60% in 2005 and it is estimated that it fell at around 33% in 2013 as a result of lower consumption and the substantial increase in domestic crude oil production. The IEA expects the net import share to decline to 24% in 2015, which would be the lowest level since 1970. A slowdown in oil imports to the United States, one of the most important oil trading nations worldwide, may result in decreased demand for our vessels and lower charter rates, which could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to make cash distributions.

An oversupply of tanker vessel capacity may lead to reductions in charter hire rates, vessel values and profitability.

The market supply of tankers is affected by a number of factors such as demand for energy resources and primarily oil and petroleum products, level of charter hire rates, asset and newbuilding prices, availability of financing as well as overall economic growth in parts of the world economy, including Asia, and has been increasing as a result of the delivery of substantial newbuilding orders over the last few years. Newbuildings, especially for crude vessels, were delivered in significant numbers starting at the beginning of 2006 and continued to be delivered in significant numbers through to 2012 and 2013. In addition, it is estimated by Clarkson Research Services Limited that the newbuilding order book, which extends to 2017 equals approximately 12.3% of the existing world tanker fleet and the order book may increase further in proportion to the existing fleet. If the capacity of new ships delivered exceeds the capacity of tankers being scrapped and lost, tanker capacity will increase. If the supply of tanker capacity increases and if the demand for tanker capacity does not increase correspondingly, charter rates and vessel values could materially decline. If such a reduction occurs, we may only be able to recharter our vessels at reduced or unprofitable rates as their current charters expire, or we may not be able to charter these vessels at all. A reduction in charter rates and the value of our vessels may have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to make cash distributions.

A number of third party owners have ordered so-called "eco-type" vessel designs, which offer substantial bunkers savings as compared to older designs. Increased demand for and supply of "eco-type" vessels could reduce demand for our vessels and expose us to lower vessel utilization and/or decreased charter rates.

The product tanker newbuilding order book as of January 2014 is estimated at 353 vessels or 18.6% of the current product tanker fleet according to Clarksons Research Services Limited. The majority of these orders are based on new vessel designs, which purport to offer material bunker savings compared to older designs, which include our vessels. Such savings could result in a substantial reduction of bunker cost for charterers compared to our vessels. As the supply of such "eco-type" vessel increases and if charterers prefer such vessels over our vessels, this may reduce demand for our vessels, impair our ability to recharter our vessels at competitive rates and have a material adverse effect on our cash flows and operations.

RISKS INHERENT IN THE DRYBULK TRADE

We are exposed to various risks in the international drybulk shipping industry, which is cyclical and volatile.

Since our acquisition of the M/V Cape Agamemnon from Capital Maritime on June 10, 2011, we have been subject to various risks of the drybulk shipping industry. The drybulk shipping industry is cyclical with attendant volatility in charter rates, vessel values and profitability. In addition, the degree of charter hire rate volatility among different types of drybulk carriers has varied widely. After reaching historical highs in mid-2008, charter hire rates for Capesize drybulk carriers such as the M/V Cape Agamemnon have been decreasing and are currently at or, near historical low levels. The M/V Cape Agamemnon is currently deployed on a period time charter. In the future we may have to charter it pursuant to short-term time charters, and may be exposed to changes in spot market and short-term charter rates for drybulk carriers, and such changes may affect our earnings and the value of the M/V Cape Agamemnon at any given time.

Moreover, the factors affecting the supply and demand for drybulk vessels are outside of our control and are difficult to predict with confidence. As a result, the nature, timing, direction and degree of changes in industry conditions are also unpredictable.

Factors that influence demand for vessel capacity include, among others:

- supply and demand for drybulk products;
- changes in global production of products transported by drybulk vessels;
- seaborne and other transportation patterns, including the distances over which drybulk cargoes are transported and changes in such patterns and distances;
- the globalization of manufacturing;
- global and regional economic and political conditions;
- developments in international trade;
- environmental and other regulatory developments;
- currency exchange rates; and
- weather.

Factors that influence the supply of vessel capacity include, among others:

- the number of newbuild deliveries, which among other factors relates to the ability of shipyards to deliver newbuilds by contracted delivery dates and the ability of purchasers to finance such newbuilds;
- the scrapping rate of older vessels;
- the number of vessels that are in or out of service, including due to vessel casualties;
- changes in environmental and other regulations and standards that may limit the profitability or useful lives of vessels; and
- port and canal congestion and closures.

We currently anticipate that the future demand for the M/V Cape Agamemnon following completion of its charter and, in turn, drybulk charter rates, will be dependent, among other things, upon economic growth in the global economy including the world's developing economies such as China, India, Brazil and Russia, seasonal and regional changes in demand, changes in the capacity of the global drybulk vessel fleet and the sources and supply of drybulk cargo to be transported by sea. A decline in demand for commodities transported in drybulk vessels or an increase in supply of drybulk vessels could cause a significant decline in charter rates, which could materially adversely affect our business, financial condition and results of operations.

The M/V Cape Agamemnon is currently chartered at rates that are at a substantial premium to the spot and period market, and the loss of this charter could result in a significant loss of expected future revenues and cash flows.

The M/V Cape Agamemnon is currently under a 10 year time charter to Cosco Bulk Carrier Co. Ltd. ("Cosco"), an affiliate of the China Ocean Shipping (Group) Company ("COSCO Group") and one of the largest drybulk charterers globally, which commenced in July 2010 and was amended in November 2011. The earliest expiry under the charter is June 2020. Since the charter amendment in November 2011, the gross charter rate is a flat rate of $42,200 per day.

Cosco has faced financial difficulties and has incurred losses recently. The loss of this customer could result in a significant loss of revenues, cash flow and our ability to maintain or improve distributions over the long term. We could lose this customer or the benefits of the charter entered into with it if, among other things:

- the customer is unable or unwilling to perform its obligations under the charter, including the payment of the agreed rates in a timely manner;
- the customer continues to face financial difficulties forcing it to declare bankruptcy or to default under the charter;
- the customer fails to make charter payments because of its financial inability, disagreements with us or otherwise;
- the customer seeks to renegotiate the terms of the charter agreement due to prevailing economic and market conditions or due to continued poor performance by the charterer;
- the customer exercises certain rights to terminate the charter;
- the customer terminates the charter because we fail to comply with the terms of the charter, the vessel is lost or damaged beyond repair, there are serious deficiencies in the vessel or prolonged periods of off-hire, or we default under the charter;
- a prolonged force majeure event affecting the customer, including war or political unrest prevents us from performing services for that customer; or
- the customer terminates the charter because we fail to comply with the safety and regulatory criteria of the charterer or the rules and regulations of various maritime organizations and bodies.

In the event we lose the benefit of the charter with Cosco prior to its expiration date, we would have to recharter the vessel at the then prevailing charter rates. In such event, we may not be able to obtain competitive, or profitable, rates for this vessel and our earnings and ability to make cash distributions may be adversely affected.

A negative change in the economic conditions in the United States, the European Union or the Asian region, especially in China, Japan or India, could reduce drybulk trade and demand, which could reduce charter rates and have a material adverse effect on our business, financial condition and results of operations.

A significant number of the port calls made by capesize bulk carriers involve the loading or discharging of raw materials in ports in the Asian region, particularly China, Japan and India. As a result, a negative change in economic conditions in any Asian country, particularly China, Japan or India, could have a material adverse effect on our business, financial position and results of operations, as well as our future prospects, by reducing demand and, as a result, charter rates and affecting our ability to recharter the M/V Cape Agamemnon at a profitable rate. In past years, China and India have had two of the world's fastest growing economies in terms of gross domestic product and have been the main driving force behind increases in marine drybulk trade and the demand for drybulk vessels. If economic growth declines in China, Japan, India and other countries in the Asian region, we may face decreases in such drybulk trade and demand. Moreover, a slowdown in the United States and Japanese economies, or the economies of the European Union, as has occurred recently, or certain Asian countries will likely adversely affect economic growth in China, India and elsewhere. Such an economic downturn in any of these countries could have a material adverse effect on our business, financial condition and results of operations.

An oversupply of drybulk vessel capacity may lead to reductions in charter hire rates, vessel values and profitability.

The market supply of drybulk vessels has been increasing, and the number of drybulk vessels on order as of January 2014, was estimated by market sources to be approximately 20.7% of the then-existing global drybulk fleet in terms of dwt, with deliveries expected mainly during the succeeding 24 months, although available data with regard to cancellations of existing newbuild orders or delays of newbuild deliveries are not always accurate.

Despite increased demolition of older drybulk vessels in 2011–2013, the drybulk fleet continues to grow at a rapid pace. An oversupply of drybulk vessel capacity will likely result in a reduction of charter hire rates. Upon the expiration of its current period time charter in June 2020, if we cannot enter into a new period time charter for the M/V Cape Agamemnon on acceptable terms, we may have to secure charters in the spot market, where charter rates are more volatile and revenues are, therefore, less predictable, or we may not be able to charter the vessel at all.

The international drybulk shipping industry is highly competitive, and with only one drybulk vessel in our fleet, we may not be able to compete successfully for charters with established companies with greater resources, and we may not be able to successfully operate the vessel.

We have historically owned tanker vessels and have been active in the tanker market only. We employ the M/V Cape Agamemnon in the highly competitive drybulk market. The drybulk market is capital intensive and highly fragmented. Competition arises primarily from other vessel owners, some of which have substantially greater resources than we have or will have. Competition for the transportation of drybulk cargo by sea is intense and depends on price, customer relationships, operating expertise, professional reputation and size, age, location and condition of the vessel. In this highly fragmented market, companies operating larger fleets as well as additional competitors with greater resources may be able to offer lower charter rates than we are able to offer, which could have a material adverse effect on our ability to utilize the M/V Cape Agamemnon and, accordingly, its profitability.

The operation of drybulk vessels has certain unique operational risks, and failure to adequately maintain the M/V Cape Agamemnon could have a material adverse effect on our business, financial condition and results of operations.

The M/V Cape Agamemnon is the only drybulk vessel in our fleet. With a drybulk vessel, the cargo itself and its interaction with the vessel may create operational risks. By their nature, drybulk cargoes are often heavy, dense and easily shifted, and they may react badly to water exposure. In addition, drybulk vessels are often subjected to battering treatment during unloading operations with grabs, jackhammers (to pry encrusted cargoes out of the hold) and small bulldozers. This treatment may cause damage to the vessel. Vessels damaged due to treatment during unloading procedures may be more susceptible to breach while at sea. Breaches of a drybulk vessel's hull may lead to the flooding of the vessel's holds. If a drybulk vessel suffers flooding in its forward holds, the bulk cargo may become so dense and waterlogged that its pressure may buckle the vessel's bulkheads, leading to the loss of a vessel. If we or Capital Maritime, as manager, do not adequately maintain the M/V Cape Agamemnon, we may be unable to prevent these events. The occurrence of any of these events could have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO THE CONTAINER CARRIER TRADE

We are exposed to various risks in the ocean-going container shipping industry, which is cyclical and volatile in terms of charter rates and profitability.

With the exception of the M/V Cape Agamemnon, we have historically owned tanker vessels and have been active in the tanker market only. Since December 2012, we have acquired seven container vessels from Capital Maritime, and have become subject to various risks of the container shipping industry. We employ these seven vessels in the container shipping market in which we had limited experience prior to 2010. The ocean-going container shipping industry is both cyclical and volatile in terms of charter rates and profitability and demand for our vessels depends on demand for the shipment of cargoes in containers and, in turn, containerships. Containership charter rates peaked in 2005 but have declined sharply and have remained low throughout 2013, as the impact of the European sovereign debt crisis and economic slowdown across the globe have affected international trade including exports from China to Europe and the United States, and have been subject to downward fluctuations, which in many cases have resulted in historical lows. Liner companies have experienced a substantial drop-off in container shipping activity, resulting in decreased average freight rates since the second half of 2011, and the continuation of such decreased freight rates or any further declines in freight rates would negatively affect the liner companies to which we charter our containerships. Variations in containership charter rates result from changes in the supply and demand for ship capacity and changes in the supply and demand for the major products transported by containerships. The economics of the container business have also been affected negatively by the large number of containership newbuild vessels ordered prior to the onset of the downturn. Accordingly, weak conditions in the containership sector may affect our ability to generate cash flows and maintain liquidity, as well as adversely affect our ability to obtain financing.

The factors affecting the supply and demand for containerships are outside of our control, and the nature, timing and degree of changes in industry conditions are unpredictable and include supply and demand for products shipped in containers, changes in global production of products transported by containerships, global and regional economic and political conditions, developments in international trade, environmental and other regulatory developments, the distance container cargo products are to be moved by sea, changes in seaborne and other transportation patterns, port and canal congestion and currency exchange rates, number and price of newbuilding deliveries, availability of shipyard capacity and scrapping rate of older vessels as well as the overall number of containerships that are out of service.

Consumer confidence and consumer spending remain relatively weak and uncertain. Consumer purchases of discretionary items, many of which are transported by sea in containers, generally decline during periods where disposable income is adversely affected or there is economic uncertainty and, as a result, liner company customers may ship fewer containers or may ship containers only at reduced rates. Any such decrease in shipping volume could adversely impact liner companies and increasing the counterparty risk associated with the charters for our vessels and, in turn, affect overall demand for containerships.

Our ability to recharter our containerships upon the expiration or termination of their current time charters and the charter rates payable under any renewal options or replacement time charters will depend upon, among other things, the prevailing state of the containership charter market, which can be affected by consumer demand for products shipped in containers. If the charter market is depressed when our containerships' time charters expire, we may be forced to recharter our containerships at reduced or even unprofitable rates, or we may not be able to recharter them at all, which may reduce or eliminate our earnings or make our earnings volatile. The same issues will be faced if we acquire additional vessels and attempt to obtain multi-year time charters as part of our acquisition and financing plan.

The decline in the containership market has affected the major liner companies and the value of container vessels, which follow the trends of freight rates and containership charter rates, and can affect the earnings on our charters, and similarly, our cash flows and liquidity. The decline in the containership charter market has had and may continue to have additional adverse consequences for the container industry including, a less active secondhand market for the sale of vessels, charterers not performing under, or requesting modifications of, existing time charters. A further downturn in the container shipping industry could adversely affect our ability to pay distributions to our unitholders and affect our results of operations and financial condition.

The factors affecting the supply and demand for containerships and supply and demand for products shipped in containers are outside of our control and are difficult to predict with confidence. As a result, the nature, timing, direction and degree of changes in industry conditions are unpredictable.

Factors that influence demand for containership capacity include, among others:

- supply and demand for products suitable for shipping in containers;
- changes in global production of products transported by containerships;
- seaborne and other transportation patterns, including the distances over which container cargoes are transported and changes in such patterns and distances;
- the globalization of manufacturing;
- global and regional economic and political conditions;
- developments in international trade;
- environmental and other regulatory developments;
- currency exchange rates; and
- weather.

Factors that influence the supply of containership capacity include, among others:

- the number of newbuilding orders and deliveries;
- the extent of newbuilding vessel deferrals;
- the scrapping rate of containerships;

- newbuilding prices and containership owner access to capital to finance the construction of newbuildings;
- charter rates and the price of steel and other raw materials;
- changes in environmental and other regulations and standards that may limit the useful life of containerships;
- the number of containerships that are slow-steaming or extra slow-steaming to conserve fuel;
- the number of containerships that are off-charter;
- port and canal congestion and closures; and
- demand for fleet renewal.

An oversupply of containership capacity may prolong or further depress the current charter rates and adversely affect our ability to recharter our existing containerships at profitable rates or at all.

From 2005 through the first quarter of 2010, the size of the containership order-book was at historically high levels. Although order-book volume dropped during 2011 to relatively low levels compared to previous years, the order-book is still at almost 20% of the existing fleet and deliveries of vessels ordered will significantly increase the size of the container fleet over the next two years. Additionally, a substantial number of container vessels are currently idle and the potential reactivation of the idle fleet may result in a prolonged period of lower charter rates or in a reduction of charter rates. An oversupply of newbuilding vessels and/or rechartered or idle containership capacity entering the market, combined with any future decline in the demand for containerships, may result in a reduction of charter rates and may decrease our ability to recharter our containerships other than for reduced rates or unprofitable rates, or we may not be able to recharter our containerships at all.

We are dependent on our charterers fulfilling their obligations under their agreements with us, and their inability or unwillingness to honor these obligations could reduce our revenues and cash flow.

Our seven container carrier vessels are currently under charters with Hyundai Merchant Marine Co. Ltd. (“HMM”) and A.P. Moller-Maersk A.S (“Maersk Line”). We expect that our containerships will continue to be chartered to customers mainly under multi-year fixed rate time charters. Many liner companies, including our charterers, finance their activities through cash from operations, the incurrence of debt or the issuance of equity. Since 2008, there has been a significant decline in the credit markets and the availability of credit, and the equity markets have been volatile. The combination of a reduction of cash flow resulting from declines in world trade, a reduction in borrowing bases under reserve-based credit facilities and the lack of availability of debt or equity financing may result in a significant reduction in the ability of our charterers to make charter payments to us. If we lose a time charter because the charterer is unable to pay us or for any other reason, we may be unable to redeploy the related vessel on similarly favorable terms or at all. Also, we will not receive any revenues from such a vessel while it is unchartered, but we will be required to pay expenses necessary to maintain and insure the vessel and service any indebtedness on it. The combination of any surplus of containership capacity and the expected increase in the size of the world containership fleet over the next few years may make it difficult to secure substitute employment for any of our containerships if our counterparties fail to perform their obligations under the currently arranged time charters, and any new charter arrangements we are able to secure may be at lower rates. Furthermore, the surplus of containerships available at lower charter rates and lack of demand for our customers’ liner services could negatively affect our charterers’ willingness to perform their obligations under our time charters, which in many cases provide for charter rates significantly above current market rates. A failure of HMM or Maersk Line to comply with the terms of its charters, and our inability to replace such charters in a certain manner may, under certain circumstances, result in an event of default under our credit facilities.

The loss of either of our charterers or vessels, or a decline in payments under our time charters, could have a material adverse effect on our business, results of operations and financial condition, revenues and cash flow and our ability to pay distributions to our unitholders.

Five of our container vessels are currently chartered at rates that are at a substantial premium to the spot and period market, and the loss of these charters could result in a significant loss of expected future revenues and cash flows.

The M/V Hyundai Premium, M/V Hyundai Paramount, M/V Hyundai Privilege, M/V Hyundai Platinum and M/V CCNI Angol are each currently under 12 year time charters to HMM, at a gross charter rate of $29,350 per day, that all commenced in the first half of 2013.

HMM has faced financial difficulties and has incurred losses recently. The loss of this customer could result in a significant loss of revenues, cash flow and our ability to maintain or improve distributions over the long term. We could lose this customer or the benefits of the charters entered into with it if, among other things:

- the customer is unable or unwilling to perform its obligations under the charters, including the payment of the agreed rates in a timely manner;
- the customer continues to face financial difficulties forcing it to declare bankruptcy or to default under the charters;
- the customer fails to make charter payments because of its financial inability, disagreements with us or otherwise;
- the customer seeks to renegotiate the terms of the charter agreements due to prevailing economic and market conditions or due to continued poor performance by the charterer;
- the customer exercises certain rights to terminate the charters;
- the customer terminates the charters because we fail to comply with the terms of the charters, the vessels are lost or damaged beyond repair, there are serious deficiencies in the vessels or prolonged periods of off-hire, or we default under the charters;
- a prolonged force majeure event affecting the customer, including war or political unrest prevents us from performing services for that customer; or
- the customer terminates the charters because we fail to comply with the safety and regulatory criteria of the charterer or the rules and regulations of various maritime organizations and bodies.

In the event we lose the benefit of the charters with HMM prior to their respective expiration date, we would have to recharter the vessels at the then prevailing charter rates. In such event, we may not be able to obtain competitive, or profitable, rates for these vessels and our earnings and ability to make cash distributions may be adversely affected.

A decrease in the level of China's export of goods or an increase in trade protectionism could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.

China exports considerably more goods than it imports. Our containerships are deployed on routes involving containerized trade in and out of emerging markets, and our charterers' container shipping and business revenue may be derived from the shipment of goods from the Asia Pacific region to various overseas export markets including the United States and Europe. Any reduction in or hindrance to the output of China-based exporters could have a material adverse effect on the growth rate of China's exports and on our charterers' business. For instance, the government of China has implemented economic policies aimed at increasing domestic consumption of Chinese-made goods. This may have the effect of reducing the supply of goods available for export and may, in turn, result in a decrease of demand for container shipping. Additionally, though in China there is an increasing level of autonomy and a gradual shift in emphasis to a "market economy" and enterprise reform, many of the reforms, particularly some limited price reforms that result in the prices for certain commodities being principally determined by market forces, are unprecedented or experimental and may be subject to revision, change or abolition. The level of imports to and exports from China could be adversely affected by changes to these economic reforms by the Chinese government, as well as by changes in political, economic and social conditions or other relevant policies of the Chinese government.

Our operations expose us to the risk that increased trade protectionism will adversely affect our business. If the incipient global recovery is undermined by downside risks and the recent economic downturn is prolonged, governments may turn to trade barriers to protect their domestic industries against foreign imports, thereby depressing the demand for shipping. Specifically, increasing trade protectionism in the markets that our charterers serve has caused and may continue to cause an increase in (i) the cost of goods exported from China, (ii) the length of time required to deliver goods from China and (iii) the risks associated with exporting goods from China, as well as a decrease in the quantity of goods to be shipped. Any increased trade barriers or restrictions on trade, especially

trade with China, would have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us. This could have a material adverse effect on our business, results of operations and financial condition and our ability to pay distributions to our unitholders.

Containership values decreased significantly in 2008 and 2009 and have remained at depressed levels through 2013. Containership values may decrease further and over time may fluctuate substantially. If these values are low at a time when we are attempting to dispose of a vessel, we could incur a loss.

Containership values can fluctuate substantially over time due to a number of different factors, including: prevailing economic conditions in the markets in which containerships operate, reduced demand for containerships, including as a result of a substantial or extended decline in world trade, increases in the supply of containership capacity, prevailing charter rates and the cost of retrofitting or modifying existing ships to respond to technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, or otherwise.

If the market values of our vessels deteriorate significantly, we may be required to record an impairment charge in our financial statements, which could adversely affect our results of operations. If a charter expires or is terminated, we may be unable to recharter the vessel at an acceptable rate and, rather than continue to incur costs to maintain the vessel, may seek to dispose of it. Our inability to dispose of one or more of the containerships at a reasonable price could result in a loss on its sale and adversely affect our results of operations and financial condition.

Our growth and our ability to recharter our containerships depends on our ability to expand relationships with existing customers and develop relationships with new customers, for which we will face substantial competition.

We will look to recharter our existing containerships following the expiration of their current charters and we will seek charters for any additional containerships that we acquire. The process of obtaining new long-term time charters on containerships is highly competitive and generally involves an intensive screening process and competitive bids, and often extends for several months. Containership charters are awarded based upon a variety of factors relating to the vessel operator, including, among others:

- shipping industry relationships and reputation for customer service and safety;
- container shipping experience and quality of ship operations, including cost effectiveness;
- quality and experience of seafaring crew;
- the ability to finance containerships at competitive rates and the ship owner's financial stability generally;
- relationships with shipyards and the ability to get suitable berths;
- construction management experience, including the ability to obtain on-time delivery of new ships according to customer specifications;
- willingness to accept operational risks pursuant to the charter, such as allowing termination of the charter for force majeure events; and
- competitiveness of the bid in terms of overall price.

Competition for providing new containerships for chartering purposes comes from a number of experienced shipping companies, including direct competition from other independent charter owners and indirect competition from state-sponsored and other major entities with their own fleets. Some of our competitors have significantly greater financial resources than we do and can operate larger fleets and may be able to offer better charter rates. An increasing number of marine transportation companies have entered the containership sector, including many with strong reputations and extensive resources and experience in the marine transportation industry. This increased competition may cause greater price competition for time charters. As a result of these factors, we may be unable to expand our relationships with existing customers or to develop relationships with new customers on a profitable basis, if at all, which could harm our business, results of operations, financial condition and ability to make cash distributions.

RISKS RELATING TO OUR BUSINESS AND OPERATIONS

We may not be able to grow or to effectively manage our growth.

Our future growth will depend upon a number of factors, some of which we cannot control. These factors include our ability to:

- capitalize on opportunities in the crude, product tanker, drybulk and container markets by fixing period charters for our vessels at attractive rates;
- identify businesses engaged in managing, operating or owning vessels for acquisitions or joint ventures;
- identify vessels and/or shipping companies for acquisitions;
- access financing and obtain required financing for existing and new operations, including refinancing of existing indebtedness;
- integrate any acquired businesses or vessels successfully with existing operations;
- hire, train and retain qualified personnel to manage, maintain and operate its growing business and fleet;
- identify additional new markets;
- improve operating and financial systems and controls;
- complete accretive transactions in the future; and
- maintain our commercial and technical management agreements with Capital Maritime or other competent managers.

Our ability to grow is in part dependent on our ability to expand our fleet through acquisitions of suitable vessels. We may not be able to acquire newbuildings or secondhand vessels on favorable terms, which could impede our growth and negatively impact our financial condition and ability to pay distributions. We may not be able to contract for newbuildings or locate suitable vessels or negotiate acceptable construction or purchase contracts with shipyards and owners, or obtain financing for such acquisitions on economically acceptable terms, or at all.

The failure to effectively identify, purchase, develop, employ and integrate any vessels or businesses could adversely affect our business, financial condition and results of operations and our ability to make cash distributions.

Fees and cost reimbursements paid by us to Capital Maritime for services provided to us and certain of our subsidiaries are substantial, fluctuate, cannot be easily predicted and may reduce our cash available for distribution to our unitholders.

We have entered into three separate technical and commercial management agreements with Capital Ship Management for the management of our fleet: the fixed fee management agreement, the floating fee management agreement and, with respect to the vessels acquired as part of the merger with Crude Carriers, the Crude Carriers management agreement. Each vessel in our fleet is managed under the terms of one of these three agreements. Please read “Item 4B: Business Overview—Our Management Agreements” for a detailed description of the main terms of our three management agreements.

The expenses incurred under our three management agreements depend upon a variety of factors, many of which are beyond our or our manager’s control. Some of these costs, primarily relating to crewing, insurance and enhanced security measures have been increasing and may increase in the future. Increases in any of these costs would decrease our earnings, cash flows and the amount of cash available for distribution to our unitholders.

We expect that as the fixed fee management agreement expires for vessels currently managed under it, such vessels, and any additional acquisitions we make in the future, shall be managed under floating fee management agreements, on similar terms to the ones currently in place. It is possible that the level of our operating costs may materially change following any such renewal. Any increase in the costs and expenses associated with the provision of these services by our manager in the future, such as the condition and age of our vessels, costs of crews for our time chartered vessels and insurance, will lead to an increase in the fees we would have to pay to Capital Ship Management or another third party under any new agreements we enter into.

The payment of fees to Capital Ship Management and compensation for expenses and liabilities incurred on our behalf, as well as the costs associated with future drydockings and/or intermediate surveys or our vessels, which are expected to be significant, could adversely affect our business, financial condition and results of operations, including our ability to make cash distributions.

We cannot assure you that we will pay any distributions.

We currently observe a cash dividend and cash distribution policy implemented by our board of directors. The actual declaration of future cash distributions, and the establishment of record and payment dates, is subject to the terms of the partnership agreement and final determination by our board of directors each quarter after its review of financial performance. Our ability to pay distributions in any period will depend upon factors including but not limited to financial condition, results of operations, prospects and applicable provisions of Marshall Islands law. Further, holders of our common units are subject to the prior distribution rights of any holders of our preferred units then outstanding. As of the date of this Annual Report, there were 18,922,221 Class B Units issued and outstanding, of which 4,048,484 were owned by Capital Maritime. Under the terms of our partnership agreement, we are prohibited from declaring and paying distributions on our common units until we declare and pay (or set aside for payment) full distributions on the Class B Units. We may not have sufficient cash available each quarter to pay the declared quarterly distribution per Class B or per common unit following establishment of cash reserves and payment of fees and expenses.

The timing and amount of distributions, if any, could be affected by factors affecting cash flows, results of operations, required capital expenditures, compliance with our loan covenants, or reserves. Maintaining the distribution policy will depend on shipping market development and the charter rates we earn when we recharter our vessels, our cash earnings, financial condition and cash requirements and could be affected by factors, including the loss of a vessel, required capital expenditures, reserves established by our board of directors, increased or unanticipated expenses, additional borrowings and compliance with our loan covenants as well as our ability to refinance existing indebtedness, asset valuations or future issuances of securities, which may be beyond our control.

Under Marshall Islands law, a limited partnership shall not make a distribution to a partner to the extent that at the time of the distribution, after giving effect to the distribution, all liabilities of the limited partnership, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specified property of the limited partnership, exceed the fair value of the assets of the limited partnership, except that the fair value of property that is subject to a liability for which the recourse of creditors is limited shall be included in the assets of the limited partnership only to the extent that the fair value of that property exceeds that liability.

The amount of cash we generate from our operations may differ materially from our profit or loss for the period, which will be affected by non-cash items. As a result of this and the other factors mentioned above, we may make cash distributions during periods when we record losses and may not make cash distributions during periods when we record net income.

Our distribution policy may be changed at any time, and from time to time, by our board of directors.

Our common units are equity securities and are subordinate to our existing and future indebtedness and our preferred units.

Our common units are equity interests in us and do not constitute indebtedness. The common units rank junior to all indebtedness and other non-equity claims on us with respect to the assets available to satisfy claims, including a liquidation of Capital Product Partners L.P. (the “Partnership” or “CPLP”). Additionally, holders of the common units are subject to the prior distribution and liquidation rights of any holders of the Class B Units and any other preferred units we may issue in the future.

As long as our outstanding Class B Units remain outstanding, under our partnership agreement, distribution payments relating to our common units are prohibited until all accrued and unpaid distributions are paid on the Class B Units.

Our board of directors is authorized to issue additional classes or series of preferred units without the approval or consent of the holders of our common units. In addition, holders of the Class B Units have the right to convert all or a portion of their Class B Units at any time into common units. Any such actions could adversely affect the market price of our common units.

If we reduce or eliminate the replacement capital expenditures deducted from our operating surplus, our growth and the future income generating capacity of our fleet may be significantly affected.

Our partnership agreement requires our board of directors to deduct from operating surplus cash reserves that it determines are necessary to fund our future operating expenditures. In the past we have made substantial capital expenditures to expand and renew our fleet, which also reduced the amount of cash available for distribution to our unitholders. Replacement capital expenditures include capital expenditures associated with an estimation for future acquisitions of new vessels or a replacement of a vessel in our fleet in order to maintain and grow the income generating capacity of our fleet. These expenditures could increase as a result of changes in:

- the value of the vessels in our fleet;
- the cost of our labor and materials;
- the cost and replacement life of suitable replacement vessels;
- customer/market requirements;
- increases in the size of our fleet;
- the age of the vessels in our fleet;
- charter rates in the market; and
- governmental regulations, industry and maritime self-regulatory organization standards relating to safety, security or the environment.

The amount of estimated capital expenditures deducted from operating surplus is subject to review and change by our board of directors at least once a year, provided that any change must be approved by the conflicts committee of our board of directors. In years when estimated capital expenditures are higher than actual capital expenditures, the amount of cash available for distribution to unitholders will be lower than if actual capital expenditures were deducted from operating surplus. If our board of directors underestimates the appropriate level of estimated replacement capital expenditures, we may have less cash available for distribution in future periods when actual capital expenditures exceed our previous estimates.

Our board of directors has elected not to deduct any replacement capital expenditures from our operating surplus since 2011, which may affect our ability to acquire new vessels or replace a vessel in our fleet, as well as our future income generating capacity.

We separately account for the maintenance capital expenditures required to maintain the operating quality of our vessels as we incur maintenance expenses as part of our operating expenses, including any costs associated with scheduled drydockings. We may have to separately provide for estimated capital expenditures associated with drydocking and, in addition to estimated replacement capital expenditures, also deduct these from our operating surplus.

As our vessels come up for their scheduled drydockings the number of off-hire days of our fleet and operating expenses will increase and our cash available for distribution to our unitholders may decrease.

During 2014, a vessel managed under our fixed fee management agreement is scheduled for its next special or intermediate survey and associated drydocking. Once any of our vessels is put into drydock, it is automatically considered to be off-hire in connection with such special or intermediate survey and associated drydocking, which means that for such period of time any such vessel will not be earning any revenues. In addition, during the drydocking of our vessels, we may incur certain costs, the levels of which are not possible to predict, are not covered under this management agreement and which we will have to reimburse to our manager. Consequently, as our vessels' scheduled drydocking approaches, the number of off-hire days of our fleet and operating expenses will increase, which may materially affect our cash available for distribution to our unitholders.

If our vessels suffer damage due to the inherent operational risks of the shipping industry, we may experience unexpected drydocking costs and delays or total loss of our vessels, which may adversely affect our business and financial condition.

Our vessels and their cargoes are at risk of being damaged or lost because of events such as marine disasters, bad weather, business interruptions caused by mechanical failures, grounding, fire, explosions and collisions, human error, war, terrorism, piracy and other circumstances or events. In addition, the operation of tankers has unique operational risks associated with the transportation of oil. Compared to other types of vessels, tankers are exposed to a higher risk of damage and loss by fire, whether ignited by a terrorist attack, collision or other cause, due to the high flammability and high volume of the oil transported in tankers.

If our vessels suffer damage, they may need to be repaired at a drydocking facility. The costs of drydock repairs are unpredictable and may be substantial. We may have to pay drydocking costs that our insurance does not cover in full. The loss of earnings while these vessels are being repaired and repositioned, as well as the actual cost of these repairs, may adversely affect our business and financial condition. In addition, space at drydocking facilities is sometimes limited and not all drydocking facilities are conveniently located. We may be unable to find space at a suitable drydocking facility or our vessels may be forced to travel to a drydocking facility that is not conveniently located to our vessels' positions. The loss of earnings while these vessels are forced to wait for space or to travel to more distant drydocking facilities may adversely affect our business and financial condition. Further, the total loss of any of our vessels could harm our reputation as a safe and reliable vessel owner and operator. If we are unable to adequately maintain or safeguard our vessels, we may be unable to prevent any such damage, costs or loss that could negatively impact our business, financial condition, results of operations, cash flows and ability to pay cash distributions.

Arrests of our vessels by maritime claimants could cause a significant loss of earnings for the related off-hire period.

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages. In certain cases, maritime claimants may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages of its manager. In many jurisdictions, a maritime lienholder may enforce its lien by "arresting" or "attaching" a vessel through foreclosure proceedings. The arrest or attachment of one or more of our vessels could result in a significant loss of earnings for the related off-hire period. In addition, in jurisdictions where the "sister ship" theory of liability applies, a claimant may arrest the vessel that is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. In countries with "sister ship" liability laws, claims might be asserted against us or any of our vessels for liabilities of other vessels that we own.

Governments could requisition our vessels during a period of war or emergency, resulting in loss of earnings.

A government of a vessel's registry could requisition for title or seize our vessels. Requisition for title occurs when a government takes control of a vessel and becomes the owner. A government could also requisition our vessels for hire. Requisition for hire occurs when a government takes control of a vessel and effectively becomes the charterer at dictated charter rates. Generally, requisitions occur during a period of war or emergency. Government requisition of one or more of our vessels could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to pay cash distributions.

Acts of piracy on ocean-going vessels have recently increased in frequency, which could adversely affect our business.

Acts of piracy have historically affected ocean-going vessels trading in regions of the world such as the South China Sea and in the Gulf of Aden off the coast of Somalia. Over the last several years, the frequency of piracy incidents has increased significantly, particularly in the Gulf of Aden and towards the Mozambique Channel in the North Indian Ocean.

If these piracy attacks result in regions in which our vessels are deployed being characterized by insurers as "war risk" zones, as the Gulf of Aden temporarily was in May 2008, or Joint War Committee "war and strikes" listed areas, premiums payable for insurance coverage for our vessels could increase significantly and such insurance coverage may be more difficult to obtain. In addition, crew costs, including costs which may be incurred

due to the deployment of onboard security guards, could increase in such circumstances. While the use of security guards is intended to deter and prevent the hijacking of our vessels, it could also increase our risk of liability for death or injury to persons or damage to personal property. We may not be adequately insured to cover losses from these incidents, which could have a material adverse effect on us. In addition, detention hijacking as a result of an act of piracy against our vessels, or an increase in cost or unavailability of insurance for our vessels, could have a material adverse impact on our business, results of operations, cash flows, financial condition and ability to make cash distributions, as well as result in increased costs and decreased cash flows to our customers impairing their ability to make payments to us under our charters.

Increases in fuel prices could adversely affect our profits.

We are responsible for the cost of fuel in the form of bunkers, which is a significant vessel expense, at any time our vessels are trading in the spot market, are off-hire or during the drydocking of any of our vessels. In addition, spot charter arrangements generally provide that the vessel owner, or pool operator where relevant, bear the cost of fuel. Because we do not intend to hedge our fuel costs, an increase in the price of fuel beyond our expectations may adversely affect our profitability, cash flows and ability to pay cash distributions. The price and supply of fuel is unpredictable and fluctuates as a result of events outside our control, including geo-political developments, supply and demand for oil and gas, actions by members of the Organization of the Petroleum Exporting Countries (also known as OPEC) and other oil and gas producers, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns and regulations. Changes in the actual price of fuel at the time the charter is to be performed could result in the charter being performed at a significantly greater or lesser cost than originally anticipated and may result in losses or diminished profits.

Increased competition in technology and innovation could reduce our charter hire income and the value of our vessels.

The charter rates and the value and operational life of a vessel are determined by a number of factors, including the vessel's efficiency, operational flexibility and physical life. Determining a vessel's efficiency includes considering its speed and fuel economy, while flexibility considerations include the ability to enter harbors, utilize related docking facilities and pass through canals and straits. A vessel's physical life is related to the original design and construction, maintenance and the impact of the stress of its operations. If new ship designs currently promoted by shipyards as being more fuel efficient perform as promoted, or if new vessels are built in the future that are more efficient or flexible, or have longer physical lives than our current vessels, competition from these more technologically advanced vessels could adversely affect our ability to recharter our vessels, the amount of charter-hire payments that we receive for our vessels once their current charters expire and the resale value of our vessels. This could adversely affect our ability to service our debt or make cash distributions.

RISKS RELATING TO FINANCING ACTIVITIES

If the contraction of the global credit markets and the resulting volatility in the financial markets and limited availability of funding continues or worsens, it may have a material adverse impact on our results of operations and on our ability to obtain bank financing and/or to access the capital markets for future debt or equity offerings. The restrictions imposed by our credit facilities may also limit our ability to access such financing, even if it is available. If we are unable to obtain financing or access the capital markets, we may be unable to complete any future purchases of vessels from Capital Maritime or from third parties, or pursue other potential growth opportunities.

Since 2008, a number of major financial institutions have experienced serious financial difficulties and, in some cases, have entered into bankruptcy proceedings or are in regulatory enforcement actions. These difficulties have resulted, in part, from declining markets for assets held by such institutions, particularly the reduction in the value of their mortgage and asset-backed securities portfolios. These difficulties have been compounded by financial turmoil affecting the world's debt, credit and capital markets, and the general decline in the willingness by banks and other financial institutions to extend credit, particularly to the shipping industry due to the historically low vessel earnings and values, and, in part, due to changes in overall banking regulations (for example, Basel III). Given these conditions, the ability of banks and credit institutions to finance new projects, including the acquisition of new vessels in the future, is uncertain. In addition, these difficulties may adversely affect the financial institutions that provide our credit facilities and may impair their ability to continue to perform under their financing obligations to us, which could have an impact on our ability to fund current and future obligations.

Furthermore, our ability to obtain bank financing or to access the capital markets for future equity or debt offerings may be limited by our financial condition at the time of any such financing or offering, as well as by the continuing adverse market conditions, including weakened demand for, and increased supply of, product tankers, drybulk or container vessels, resulting from, among other things, general economic conditions, weakness in the financial markets and contingencies and uncertainties that are beyond our control. The restrictions imposed by our credit facilities, including the obligation to comply with certain collateral maintenance and other requirements, may further restrict our ability to access available financing. Continued access to the capital markets is not assured. If we are unable to obtain additional credit or draw down upon borrowing capacity, it may negatively impact our ability to fund current and future obligations. In addition, the severe deterioration in the banking and credit markets has resulted in potentially higher interest costs and overall limited availability of liquidity, which may further affect our ability to complete any future purchases of vessels from Capital Maritime or from third parties or to refinance our debt. Furthermore, banks and financial institutions are faced with ongoing financial difficulties, and increased scrutiny by credit rating agencies means that there may be no funding available from banks limiting our ability to refinance our debt. Our failure to obtain the funds for necessary future capital expenditures and for the refinancing of our debt could also have a material adverse impact on our business, results of operations and financial condition, our ability to grow and make cash distributions and could cause the market price of our common units to decline.

Disruptions in world financial markets and further governmental action in the United States and in other parts of the world could have a material adverse impact on our results of operations, financial condition and cash flows, and could cause the market price of our common units decline.

Since 2008, global financial markets have experienced extraordinary disruption and volatility following adverse changes in the global credit markets. The credit markets in the United States have experienced significant contraction, deleveraging and reduced liquidity, and governments around the world have taken highly significant measures in response to such events, including the enactment of the Emergency Economic Stabilization Act of 2008 in the United States, and may implement other significant responses in the future. Securities and futures markets, and the credit markets, are subject to comprehensive statutes, regulations and other requirements. The SEC, other regulators, self-regulatory organizations and exchanges have enacted temporary emergency regulations in the past and may take other extraordinary actions in the event of market emergencies and may affect permanent changes in law or interpretations of existing laws. Any changes to securities, tax, environmental, or other laws or regulations, could have a material adverse effect on our results of operations, financial condition or cash flows, and could cause the market price of our common units to decline.

A limited number of financial institutions hold our cash including financial institutions located in Greece.

We maintain our cash with a limited number of financial institutions, including institutions located in Greece. Of these financial institutions located in Greece, some are subsidiaries of international banks and others are Greek financial institutions. These balances may not be covered by insurance in the event of default by these financial institutions. The ongoing fiscal situation in Greece, including the possibility of further sovereign credit rating downgrades and the restructuring of Greece's sovereign debt, as well as a potential exit from the Euro, may result in an event of default by some or all of these financial institutions. The occurrence of such a default could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have incurred significant indebtedness which could adversely affect our ability to further finance our operations, pursue desirable business opportunities or successfully run our business in the future as well as our ability to make cash distributions.

As of December 31, 2013 our total debt was $583.3 million consisting of: (i) $250.9 million outstanding under the 2007 credit facility; (ii) $238.4 outstanding under the 2008 credit facility; (iii) $19.0 million outstanding under the 2011 credit facility and (iv) 75.0 million outstanding under the 2013 credit facility. All facilities are non-amortizing until March 2016.

Our leverage and debt service obligations could have significant additional consequences, including the following:

- If future cash flows are insufficient, we may need to incur further indebtedness in order to make the capital expenditures and other expenses or investments we have planned.
- If future cash flows are insufficient and we are not able to service our debt or, when the non-amortizing period of our existing credit facilities expires in March 2016, we are not able to refinance our existing indebtedness with non-amortizing debt with similar terms to our existing facilities, our obligation to make principal payments under our credit facilities may force us to take actions such as reducing or eliminating distributions, reducing or delaying business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or seeking additional equity capital or bankruptcy protection.
- Our indebtedness will have the general effect of reducing our flexibility to react to changing business and economic conditions insofar as they affect our financial condition and, therefore, may pose substantial risk to our unitholders.
- In the event that we are liquidated, any of our senior or subordinated creditors and any senior or subordinated creditors of our subsidiaries will be entitled to payment in full prior to any distributions to the holders of our common units.
- Our 2007, 2008, 2011 and 2013 credit facilities mature in 2017, 2018, 2018 and 2020, respectively. Our ability to secure additional financing prior to or after that time, if needed, may be substantially restricted by the existing level of our indebtedness and the restrictions contained in our debt instruments. Upon maturity, we will be required to dedicate a substantial portion of our cash flow to the payment of such debt, which will reduce the amount of funds available for operations, capital expenditures and future business opportunities.

The occurrence of any one of these events could have a material adverse effect on our business, financial condition, results of operations, prospects and ability to make distributions and to satisfy our obligations under our credit facilities or any debt securities.

Our credit facilities contain, and we expect that any new or amended credit facilities we may enter into will contain, restrictive covenants, which may limit our business and financing activities, including our ability to make distributions.

The operating and financial restrictions and covenants in our credit facilities and in any new or amended credit facility we enter into in the future could adversely affect our ability to finance future operations or capital needs or to engage, expand or pursue our business activities. For example, our credit facilities require the consent of our lenders to, or limit our ability to, among other items:

- incur or guarantee indebtedness;
- charge, pledge or encumber our vessels;
- change the flag, class, management or ownership of our vessels;
- change the commercial and technical management of our vessels;
- sell or change the beneficial ownership or control of our vessels; and
- subordinate our obligations thereunder to any general and administrative costs relating to our vessels, including the fixed daily fee payable under the management agreement.

Our credit facilities also require us to comply with the International Safety Management Code and to maintain valid safety management certificates and documents of compliance at all times. In addition our amended credit facilities require us to comply with certain financial covenants:

- maintain minimum free consolidated liquidity of at least $500,000 per collateralized vessel;
- maintain a ratio of EBITDA (as defined in each credit facility) to net interest expense of at least 2.00 to 1.00 on a trailing four-quarter basis; and
- maintain a ratio of net Total Indebtedness to the aggregate Fair Market Value (as each term is defined in each credit facility) of our total fleet, current or future, of no more than 0.725 (the “leverage ratio”).

In addition, our credit facilities require that we maintain an aggregate fair market value of the vessels in our fleet of at least 125% of the aggregate amount outstanding under each credit facility (the “collateral maintenance”).

The interest margin of our credit facilities was amended to 2.0% for our 2007 credit facility and 3.0% for our 2008 credit facility in connection with the 2012 issuance and sale of our Class B Units. The interest margin for our 2011 and 2013 credit facilities is 3.25% and 3.5%, respectively. Our ability to comply with the covenants and restrictions contained in our credit facilities may be affected by events beyond our control, including prevailing economic, financial and industry conditions, interest rate developments, changes in the funding costs of our banks and changes in vessel earnings and asset valuations. If market or other economic conditions further deteriorate or fail to improve, our ability to comply with these covenants may be impaired. If we are in breach of any of the restrictions, covenants, ratios or tests in our credit facilities, especially if we trigger a cross-default currently contained in our credit facilities, we may be forced to suspend our distributions, a significant portion of our obligations may become immediately due and payable and our lenders' commitment to make further loans to us may terminate. We may not have, or be able to obtain, sufficient funds to make these accelerated payments. In addition, obligations under our credit facilities are secured by our vessels, and if we are unable to repay debt under the credit facilities, the lenders could seek to foreclose on those assets.

Furthermore, any contemplated vessel acquisitions will have to be at levels that do not impair the required ratios set out above. The recent global economic downturn has had an adverse effect on vessel values which is likely to persist if the economic slowdown resumes. If the estimated asset values of the vessels in our fleet continue to decrease, such decreases may limit the amounts we can drawdown under our credit facilities to purchase additional vessels and our ability to expand our fleet. In addition, we may be obligated to prepay part of our outstanding debt in order to remain in compliance with the relevant covenants in our credit facilities. If funds under our credit facilities become unavailable as a result of a breach of our covenants or otherwise, we may not be able to perform our business strategy which could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions.

If we default under our credit facilities, our ability to make cash distributions may be impaired and we could forfeit our rights in certain of our vessels and their charters.

We have pledged all of our vessels as security to the lenders under our credit facilities. Default under these credit facilities, if not waived or modified, would permit the lenders to foreclose on the mortgages over the vessels and the related collateral, and we could lose our rights in the vessels and their charters.

When final payment is due under our loan agreements, we must repay any borrowings outstanding, including balloon payments. To the extent that cash flows are insufficient to repay any of these borrowings or asset cover is inadequate due to a deterioration in vessel values, we will need to refinance some or all of our loan agreements, replace them with alternate credit arrangements or provide additional security. We may not be able to refinance or replace our loan agreements or provide additional security at the time they become due.

In the event we default under our credit facilities or we are not able to refinance our existing debt obligations with new debt facilities with similar terms to the existing facilities, or if our operating results are not sufficient to service current or future indebtedness, or to make relevant principal repayments if necessary, we may be forced to take actions such as reducing or eliminating distributions, reducing or delaying business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing debt, or seeking additional equity capital or bankruptcy protection. In addition, the terms of any refinancing or alternate credit arrangement may restrict our financial and operating flexibility and our ability to make cash distributions.

If we are in breach of any of the terms of our credit facilities, as amended, a significant portion of our obligations may become immediately due and payable and our lenders' commitments to make further loans to us may terminate. We may also be unable to execute our business strategy.

Our ability to comply with the covenants and restrictions contained in our credit facilities and any other debt instruments we may enter into in the future may be affected by events beyond our control, including prevailing economic, financial and industry conditions. If vessel earnings and valuations, or market or other economic conditions deteriorate further, our ability to comply with these covenants may be impaired. If we are in breach of any of the restrictions, covenants, ratios or tests in our credit facilities, especially if we trigger a cross-default currently contained in our credit facilities or any interest rate swap agreements we have entered into pursuant to their terms, a significant portion of our obligations may become immediately due and payable, and our lenders' commitment to make further loans to us may terminate. We may not be able to reach agreement with our lenders to

amend the terms of the loan agreements or waive any breaches and we may not have, or be able to obtain, sufficient funds to make any accelerated payments. In addition, obligations under our credit facilities are secured by our vessels, and if we are unable to repay debt under the credit facilities, the lenders could seek to foreclose on those assets. Furthermore, if funds under our credit facilities become unavailable as a result of a breach of our covenants or otherwise, we may not be able to execute our business strategy, which could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions.

Restrictions in our debt agreements may prevent us from paying distributions.

Our payment of interest and, following the end of the relevant non-amortizing periods, principal on our debt will reduce cash available for distribution on our units. In addition, our credit facilities prohibit the payment of distributions if we are not in compliance with certain financial covenants or upon the occurrence of an event of default or if the fair market value of the vessels in our fleet is less than 125% of the aggregate amount outstanding under each of our credit facilities.

Events of default under our credit facilities include:

- failure to pay principal or interest when due;
- breach of certain undertakings, negative covenants and financial covenants contained in the credit facility, any related security document or guarantee or the interest rate swap agreements, including failure to maintain unencumbered title to any of the vessel owning subsidiaries or any of the assets of the vessel owning subsidiaries and failure to maintain proper insurance;
- any breach of the credit facility, any related security document or guarantee or the interest rate swap agreements (other than breaches described in the preceding two bullet points) if, in the opinion of the lenders, such default is capable of remedy and continues unremedied for 20 days after written notice of the lenders;
- any representation, warranty or statement made by us in the credit facility or any drawdown notice thereunder or related security document or guarantee or the interest rate swap agreements is untrue or misleading when made;
- a cross-default of our other indebtedness of $5.0 million or greater, or of the indebtedness of our subsidiaries of $750,000 or greater;
- we become, in the reasonable opinion of the lenders, unable to pay our debts when due;
- any of our or our subsidiaries' assets are subject to any form of execution, attachment, arrest, sequestration or distress in respect of a sum of $1.0 million or more that is not discharged within 10 business days;
- an event of insolvency or bankruptcy;
- cessation or suspension of our business or of a material part thereof;
- unlawfulness, non-effectiveness or repudiation of any material provision of our credit facility, of any of the related finance and guarantee documents or of our interest rate swap agreements;
- failure of effectiveness of security documents or guarantee;
- our common units cease to be listed on the Nasdaq Global Market or on any other recognized securities exchange;
- any breach under any provisions contained in our interest rate swap agreements;
- termination of our interest rate swap agreements or an event of default thereunder that is not remedied within five business days;
- invalidity of a security document in any material respect or if any security document ceases to provide a perfected first priority security interest;
- failure by HMM or Maersk Line to comply with the terms of the their charters and we are unable to replace the charter in a manner that meets our obligations under the facilities; or
- any other event that occurs or circumstance that arises in light of which the lenders reasonably consider that there is a significant risk that we will be unable to discharge our liabilities under the credit facility, related security and guarantee documents or interest rate swap agreements.

We anticipate that any subsequent refinancing of our current debt or any new debt could have similar or more onerous restrictions. For more information regarding our financing arrangements, please read "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations" below.

RISKS INHERENT IN OUR OPERATIONS

We currently derive all of our revenues from a limited number of customers and the loss of any customer or charter or vessel could result in a significant loss of revenues and cash flow.

We have derived, and believe that we will continue to derive, all of our revenues and cash flow from a limited number of customers. For the year ended December 31, 2013, Capital Maritime, BP Shipping Limited, Maersk Line and HMM accounted for 32%, 17%, 14% and 13% of our revenues, respectively. For the year ended December 31, 2012, Capital Maritime and BP Shipping Limited accounted for 45% and 23% of our revenues, respectively. For the year ended December 31, 2011, Capital Maritime, BP Shipping Limited and subsidiaries of Overseas Shipholding Group Inc. ("OSG") accounted for 24%, 32% and 11% of our revenues, respectively. We could lose a customer, including Capital Maritime, or the benefits of some or all of a charter if:

- the customer faces financial difficulties forcing it to declare bankruptcy or making it impossible for it to perform its obligations under the charter, including the payment of the agreed rates in a timely manner;
- the customer fails to make charter payments because of its financial inability or its inability to trade our and other vessels profitably or due to the occurrence of losses due to the weaker charter markets;
- the customer fails to make charter payments due to disagreements with us or otherwise;
- the customer tries to renegotiate the terms of the charter agreement due to prevailing economic and market conditions;
- the customer exercises certain rights to terminate the charter or purchase the vessel;
- the customer terminates the charter because we fail to deliver the vessel within a fixed period of time, the vessel is lost or damaged beyond repair, there are serious deficiencies in the vessel or prolonged periods of off-hire, or we default under the charter; or
- a prolonged force majeure event affecting the customer, including damage to or destruction of relevant production facilities, war or political unrest prevents us from performing services for that customer.

A number of our charterers, including Capital Maritime, are private companies and we may have limited access to their financial affairs, which may result in us having limited information on their financial strength and ability to meet their financial obligations. Please read "Item 4B: Business Overview —Our Customers" and "—Our Charters" below for further information on our customers.

If we lose a key charter, we may be unable to redeploy the related vessel on terms as favorable to us due to the long-term nature of most charters. If we are unable to redeploy a vessel for which the charter has been terminated, we will not receive any revenues from that vessel, but we may be required to pay expenses necessary to maintain the vessel in proper operating condition and may also have to enter into costly and lengthy legal proceedings in order to reserve our rights. Until such time as the vessel is rechartered, we may have to operate it in the spot market at charter rates which may not be as favorable to us as our current charter rates. In addition, if a customer exercises its right to purchase a vessel, we would not receive any further revenue from the vessel and may be unable to obtain a substitute vessel and charter. This may cause us to receive decreased revenue and cash flows from having fewer vessels operating in our fleet. Any replacement newbuilding would not generate revenues during its construction, and we may be unable to charter any replacement vessel on terms as favorable to us as those of the terminated charter. Any compensation under our charters for a purchase of the vessels may not adequately compensate us for the loss of the vessel and related time charter. The loss of any of our customers, time or bareboat charters or vessels, or a decline in payments under our charters, could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions.

One of our largest customers, BP Shipping Limited, has been adversely affected by the oil leak in the Gulf of Mexico. This spill or future spills by other companies may result in additional or changes to existing regulation that could result in additional costs to us or expose us to additional liabilities.

One of our largest customers, BP Shipping Limited, is an affiliate of BP p.l.c. ("BP"). BP and its affiliates have been materially adversely affected by the explosion onboard the semisubmersible drilling rig Deepwater Horizon in the Gulf of Mexico in April 2010 and the resulting oil leak from a well being operated by an affiliate of BP and in which such affiliate had a majority working interest. As of December 31, 2013, five of our vessels were chartered to BP or its affiliates. BP Shipping Limited accounted for approximately 17%, 23% and 32% of our revenues for the years ended December 31, 2013, 2012 and 2011, respectively.

Future costs associated with the Gulf of Mexico oil spill could adversely affect BP and could, in turn, have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to meet our obligations and to make cash distributions. Future significant spills that capture public or regulatory attention could result in stricter regulation.

The United States Oil Pollution Act of 1990 ("OPA 90") regulations or implementation may become more stringent in application in the future. Our operations may be subject to more rigorous preparedness requirements and practice demonstrations, more unannounced exercises and increased penalties for any failure to demonstrate preparedness and additional disaster response planning. Increased requirements under the OPA 90 or state laws could subject us to increased liabilities in the event of a disaster and increased operating costs.

We depend on Capital Maritime and its affiliates to assist us in operating and expanding our business. If Capital Maritime is materially adversely affected by the ongoing market fluctuations, and risks or suffers material damage to its reputation, it may affect its ability to comply with the terms of its charters with us or provide us with the necessary level of services to support and expand our business.

As of December 31, 2013, eleven of our 30 vessels were under charter with Capital Maritime. In the future we may enter into additional contracts with Capital Maritime to charter our vessels as they become available for rechartering. Capital Maritime is subject to the same risks and market fluctuations as all other charterers. In the event Capital Maritime is affected by the ongoing market downturn and limited availability of financing it may default under its charters with us, which would materially adversely affect our operations and ability to make cash distributions.

In addition, pursuant to our management and administrative services agreements between us and Capital Ship Management, Capital Ship Management provides significant commercial and technical management services (including the commercial and technical management of our vessels, class certifications, vessel maintenance and crewing, purchasing and insurance and shipyard supervision) as well as administrative, financial and other support services to us. Please read "Item 7B: Related-Party Transactions—Transactions entered into during the year ended December 31, 2012" and "—Transactions entered into during the year ended December 31, 2011" below for a description of all our management agreements. Our operational success and ability to execute our growth strategy will depend significantly upon Capital Ship Management's satisfactory performance of these services. In the event Capital Maritime is materially affected by the ongoing market downturn and cannot support Capital Ship Management and Capital Ship Management fails to perform these services satisfactorily, or cancels or materially amends either of these agreements, or if Capital Ship Management stops providing these services to us, our business will be materially harmed.

Our ability to enter into new charters and expand our customer relationships will depend largely on our ability to leverage our relationship with Capital Maritime and its reputation and relationships in the shipping industry, including its ability to qualify for long term business with certain oil majors. If Capital Maritime suffers material damage to its reputation, justifiably or not, or relationships, it may harm our ability to:

- renew existing charters upon their expiration;
- obtain new charters;
- successfully interact with shipyards during periods of shipyard construction constraints;
- obtain financing on commercially acceptable terms; or
- maintain satisfactory relationships with suppliers and other third parties.

Finally, we may also contract with Capital Maritime for it to have newbuildings constructed on our behalf and to incur the construction-related financing, and we would purchase the vessels on or after delivery based on an

agreed-upon price. If Capital Maritime is unable to meet the payments under any such contract we enter into, it could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions.

If our ability to do any of the things described above is impaired, it could have a material adverse effect on our business, results of operations and financial condition and our ability to make cash distributions.

Our growth depends on general trends in the shipping industry that may affect the product tanker, container carrier and drybulk trade, as well as on continued growth in demand for refined products and crude oil and the continued demand for their seaborne transportation.

Our growth strategy depends on developments in the refined product tanker, crude oil, drybulk and container shipping sectors. In particular, our growth depends on continued growth in world and regional demand for refined products and crude oil, and the transportation of refined products and crude oil by sea, as well as drybulk products, commodities and other materials that are transported by container or drybulk vessels, all of which could be negatively affected by a number of factors, including:

- the economic and financial developments globally, including actual and projected global economic growth;
- fluctuations in the actual or projected price of refined products and crude oil;
- refining capacity and its geographical location;
- increases in the production of oil in areas linked by pipelines to consuming areas, the extension of existing, or the development of new, pipeline systems in markets we may serve, or the conversion of existing non-oil pipelines to oil pipelines in those markets;
- decreases in the consumption of oil due to increases in its price relative to other energy sources, other factors making consumption of oil less attractive or energy conservation measures; and
- availability of new, alternative energy sources.

Additionally, our growth depends on continued growth in world and regional demand for the transportation of containerized and drybulk goods, which could be negatively affected by a number of factors, including:

- our ability to operate in new markets, including the container carrier market;
- drybulk and container carrier industry trends;
- the supply and demand of containerized goods;
- developments in the market for exports of containerized goods from emerging markets, including China;
- trends in the market for imports of raw materials to emerging markets, such as India and China;
- the relocation of regional and global manufacturing facilities from Asian and emerging markets to developed economies in Europe and the United States;
- negative or deteriorating global or regional economic or political conditions, particularly in oil consuming regions, which could reduce energy consumption or its growth;
- the location of consuming regions for containerized and drybulk goods;
- the globalization of production and manufacturing;
- the price of steel and other raw materials;
- seaborne and other transportation patterns, including the distances over which container cargoes are transported and changes in such patterns and distances;
- the globalization of manufacturing;
- the number of vessels being laid up or scrapped in a particular sector compared to the number of newbuild deliveries; and
- environmental and other regulatory developments.

Continued reduced demand for refined products, crude oil, containerized and dry cargo goods, and the shipping of these, would have a material adverse effect on our future growth and could harm our business, results of operations, cash flows and financial condition.

Our tanker vessels' present and future employment could be adversely affected by an inability to clear the oil majors' risk assessment process.

Shipping, and especially crude oil, refined product and chemical tankers have been, and will remain, heavily regulated. The so called "oil majors" companies, together with a number of commodities traders, represent a significant percentage of the production, trading and shipping logistics (terminals) of crude oil and refined products worldwide. Concerns for the environment have led the oil majors to develop and implement a strict ongoing due diligence process when selecting their commercial partners. This vetting process has evolved into a sophisticated and comprehensive risk assessment of both the vessel operator and the vessel, including physical ship inspections, completion of vessel inspection questionnaires performed by accredited inspectors and the production of comprehensive risk assessment reports. In the case of term charter relationships, additional factors are considered when awarding such contracts, including:

- office assessments and audits of the vessel operator;
- the operator's environmental, health and safety record;
- compliance with the standards of the International Maritime Organization (the "IMO"), a United Nations agency that issues international trade standards for shipping;
- compliance with heightened industry standards that have been set by several oil companies;
- shipping industry relationships, reputation for customer service, technical and operating expertise;
- compliance with oil majors codes of conduct, policies and guidelines, including transparency, anti-bribery and ethical conduct requirements and relationships with third parties;
- shipping experience and quality of ship operations, including cost-effectiveness;
- quality, experience and technical capability of crews;
- the ability to finance vessels at competitive rates and overall financial stability;
- relationships with shipyards and the ability to obtain suitable berths;
- construction management experience, including the ability to procure on-time delivery of new vessels according to customer specifications;
- willingness to accept operational risks pursuant to the charter, such as allowing termination of the charter for force majeure events; and
- competitiveness of the bid in terms of overall price.

Should either Capital Maritime or Capital Ship Management not continue to successfully clear the oil majors' risk assessment processes on an ongoing basis, our vessels' present and future employment as well as our relationship with our existing charterers and our ability to obtain new charterers, whether medium- or long-term, could be adversely affected. Such a situation may lead to the oil majors' terminating existing charters and refusing to use our vessels in the future which would adversely affect our results of operations and cash flows. Please read "Item 4B: Business Overview—Major Oil Company Vetting Process" for more information regarding this process.

If we purchase and operate secondhand vessels, we will be exposed to increased operating costs which could adversely affect our earnings and, as our fleet ages, the risks associated with older vessels could adversely affect our ability to obtain profitable charters.

Our current business strategy includes additional growth through the acquisition of new and secondhand vessels. While we typically inspect secondhand vessels prior to purchase, this does not provide us with the same knowledge about their condition that we would have had if these vessels had been built for and operated solely by us. Generally, we do not receive the benefit of warranties from the builders for the secondhand vessels that we acquire. Our fleet had an average age of approximately 5.8 years as of December 31, 2013. In general the costs to maintain a vessel in good operating condition increase with the age of the vessel. Older vessels are typically less fuel efficient than more recently constructed vessels due to improvements in engine technology. Cargo insurance rates also increase with the age of a vessel making older vessels less desirable to charterers.

We may not be able to expand the size of our fleet or replace aging vessels in the future which may affect our ability to pay distributions.

Our ability to expand the size of our fleet or replace aging vessels in the future will be affected by our ability to acquire new vessels on favorable terms. From time to time, we expect to enter into agreements with

Capital Maritime or other third parties to purchase additional newbuildings or other modern vessels (or interests in vessel owning companies). If Capital Maritime or any third party seller we may contract with in the future for the purchase of newbuildings fails to make construction payments for such vessels, the shipyard may rescind the purchase contract and we may lose access to such vessels or need to finance such vessels before they begin operating and generating voyage revenues, which could harm our business and our ability to make cash distributions. In addition, the market value of modern vessels or newbuildings is influenced by the ability of buyers to access debt and bank finance and equity capital and any disruptions to the market and the possible lack of adequate available finance may negatively affect such market values. The failure to effectively identify, purchase, develop, employ and integrate any vessels or businesses could adversely affect our business, financial condition and results of operations and our ability to make cash distributions.

If we finance the purchase of any additional vessels or businesses we acquire in the future through cash from operations, by increasing our indebtedness or by issuing debt or equity securities, our ability to make cash distributions may be diminished, our financial leverage could increase or our unitholders could be diluted. In addition, if we expand the size of our fleet by directly contracting newbuildings in the future, we generally will be required to make significant installment payments for such acquisitions prior to their delivery and generation of any revenue.

The actual cost of a new vessel varies significantly depending on the market price charged by shipyards, the size and specifications of the vessel, whether a charter is attached to the vessel and the terms of such charter, governmental regulations and maritime self-regulatory organization standards. The total delivered cost of a vessel will be higher and include financing, construction supervision, vessel start-up and other costs.

As of December 31, 2013, our fleet consisted of 30 vessels, only eight of which had been part of our initial fleet at the time of our initial public offering (“IPO”). We have financed the purchase of the additional vessels with debt, or partly with debt, cash and/or partly by issuing additional equity securities. We also acquired additional vessels through the acquisition of Crude Carriers in 2011. If we issue additional common units, Class B Units or other equity securities to finance the acquisition of a vessel or business, your ownership interest in us may be diluted. Please read “Item 3D: Risk Factors—Risks Inherent in an Investment in Us—We may issue additional equity securities without your approval, which would dilute your ownership interests.” below.

If we elect to expand our fleet in the future by entering into contracts for newbuildings directly with shipyards, we generally will be required to make installment payments prior to their delivery. We typically must pay between 5% to 25% of the purchase price of a vessel upon signing the purchase contract, even though delivery of the completed vessel will not occur until much later (approximately 18-36 months later for current orders) which could reduce cash available for distributions to unitholders. If we finance these acquisitions by issuing debt or equity securities, we will increase the aggregate amount of interest payments or quarterly distributions we must make prior to generating cash from the operation of the newbuilding.

To fund the acquisition price of a business or of any additional vessels we may contract to purchase from Capital Maritime or other third parties and other related capital expenditures, we will be required to use cash from operations or incur borrowings or raise capital through the sale of debt or additional equity securities. Use of cash from operations will reduce cash available for distributions to unitholders. Even if we are successful in obtaining necessary funds, the terms of such financings could limit our ability to pay cash distributions to unitholders. Incurring additional debt may significantly increase our interest expense and financial leverage, and issuing additional equity securities may result in significant unitholder dilution and would increase the aggregate amount of cash required to meet our quarterly distributions to unitholders, which could have a material adverse effect on our ability to make cash distributions.

Political and government instability, terrorist or other attacks, war or international hostilities can affect the tanker industry, which may adversely affect our business.

We conduct most of our operations outside of the United States. In particular, we derive a portion of our revenues from shipping oil and oil products from politically unstable regions and our business, results of operations, cash flows, financial condition and ability to make cash distributions may be adversely affected by the effects of political instability, terrorist or other attacks, war or international hostilities. Terrorist attacks such as the attacks on the United States on September 11, 2001, the bombings in Spain on March 11, 2004 and in London on July 7, 2005,

the recent conflicts in Iraq and Afghanistan and other current and future conflicts, and the continuing response of the United States to these attacks, as well as the threat of future terrorist attacks, continue to contribute to world economic instability and uncertainty in global financial markets. Future terrorist attacks could result in increased volatility of the financial markets in the United States and globally, and could negatively impact the U.S. and world economy, potentially leading to an economic recession. These uncertainties could also adversely affect our ability to obtain additional financing on terms acceptable to us or at all.

In the past, political instability has also resulted in attacks on vessels, such as the attack on the M/T Limburg in October 2002, mining of waterways and other efforts to disrupt international shipping, particularly in the Arabian Gulf region. Acts of terrorism and piracy have also affected vessels trading in regions such as the South China Sea and the Gulf of Aden off the coast of Somalia. In addition, oil facilities, shipyards, vessels, pipelines and oil and gas fields could be targets of future terrorist attacks. Any such attacks could lead to, among other things, bodily injury or loss of life, vessel or other property damage, increased vessel operational costs, including insurance costs, and the inability to transport oil and other refined products to or from certain locations. Any of these occurrences or other events beyond our control that adversely affect the distribution, production or transportation of oil and other refined products to be shipped by us could entitle our customers to terminate our charter contracts and could have a material adverse impact on our business, financial condition, results of operations, cash flows and ability to make cash distributions.

Furthermore, our operations may be adversely affected by changing or adverse political and governmental conditions in the countries where our vessels are flagged or registered and in the regions where we otherwise engage in business. Any disruption caused by these factors may interfere with the operation of our vessels, which could harm our business, financial condition and results of operations. Our operations may also be adversely affected by expropriation of vessels, taxes, regulation, tariffs, trade embargoes, economic sanctions or a disruption of or limit to trading activities, or other adverse events or circumstances in or affecting the countries and regions where we operate or where we may operate in the future.

We could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and anti-corruption laws in other applicable jurisdictions.

As an international shipping company, we may operate in countries known to have a reputation for corruption. The U.S. Foreign Corrupt Practices Act of 1977 (the “FCPA”) and other anti-corruption laws and regulations in applicable jurisdictions generally prohibit companies registered with the SEC and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business. Under the FCPA, U.S. companies may be held liable for some actions taken by strategic or local partners or representatives. Legislation in other countries includes the U.K. Bribery Act, which became effective on July 1, 2011. The U.K. Bribery Act is broader in scope than the FCPA because it does not contain an exception for facilitating payments (i.e., payments to secure or expedite the performance of a “routine governmental action”) and covers bribes and payments to private businesses as well as foreign public officials. We and our customers may be subject to these and similar anti-corruption laws in other applicable jurisdictions. Failure to comply with such legal requirements could expose us to civil and/or criminal penalties, including fines, prosecution and significant reputational damage, all of which could materially and adversely affect our business and results of operations, including our relationships with our customers, and our financial results. Compliance with the FCPA, the U.K. Bribery Act and other applicable anti-corruption laws and related regulations and policies imposes potentially significant costs and operational burdens. Moreover, the compliance and monitoring mechanisms that we have in place including our Code of Business Conduct and Ethics, which incorporates our anti-bribery and corruption policy may not adequately prevent or detect possible violations under applicable anti-bribery and anti-corruption legislation.

Our vessels may call on ports located in countries that are subject to restrictions and sanctions imposed by the United States, the European Union and other jurisdictions.

Certain countries and persons are targeted by sanctions and embargoes imposed by the United States, the European Union and other jurisdictions, and Cuba, Iran, Sudan and Syria are identified as state sponsors of terrorism by the U.S. Department of State. Such sanctions and embargo laws and regulations vary in their application. They do not apply to the same covered persons or proscribe the same activities, and such sanctions and embargo laws and regulations may be strengthened or otherwise amended over time. We generally do not do business in the targeted

jurisdictions and have not entered into agreements or other arrangements with the governments or any governmental entities of Cuba, Iran, Sudan or Syria and have entertained no direct business contacts with officials or representatives of any such governments or entities. However, although we have various policies and controls designed to help ensure our compliance with these sanctions and embargo laws, it is possible that the charterers of our vessels, or their subcharterer, may arrange for vessels in our fleet to call on ports located in one or more of these countries.

In recent years, one focus of these sanctions, especially with respect to Iran, has been on shipping concerns. For example, in 2010, the United States enacted the Comprehensive Iran Sanctions Accountability and Divestment Act ("CISADA"), which amended and expanded the scope of the Iran Sanctions Act of 1996 (as amended, the "ISA"). Among other things, after CISADA, the ISA provides that sanctions may be imposed on any person who provides ships or shipping services to deliver refined petroleum products to Iran, subject to certain conditions. The Iran Threat Reduction and Syria Human Rights Act of 2012 (the "ITRA") further adds to and strengthens U.S. sanctions regarding Iran. In particular, with regard to shipping concerns, the ITRA adds new categories of sanctionable commercial activities, including ownership, operation or control of a vessel that was used to transport crude oil from Iran to another country, subject to certain conditions and exceptions. The ITRA also amended the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), to require that issuers required to file with the SEC an annual or quarterly report under Section 13(a) of the Exchange Act include in the applicable report disclosure as to whether such issuer or its affiliates have knowingly engaged in certain activities described in the ISA and CISADA, or in transactions or dealings with certain persons identified in Section 13(r) of the Exchange Act. In December 2012, the United States enacted the "Iran Freedom and Counter-Proliferation Act of 2012," as a subtitle of the National Defense Authorization Act for Fiscal Year 2012 (the "IFCPA"), which, among other things, further targets Iran's ports, shipping, and ship-building sectors as entities of proliferation concern and authorizes the designation of persons and entities operating a port in Iran, or who knowingly provide significant financial, material, technological or other support to, or goods and services in support of any activity or transaction on behalf of or for the benefit of such a port operator, as a Specially Designated Nationals and Blocked Person ("SDN") to be listed on the U.S. Office of Foreign Assets Control's ("OFAC") list of Specially Designated Nationals and Blocked Persons ("SDN List"). The IFCPA also allows for sanctions to be imposed on any person who knowingly sells, supplies or transfers, directly or indirectly, materials to be used in connection with the energy, shipping, or shipbuilding sectors of Iran, subject to certain conditions and exceptions.

If it is determined that a person has engaged in sanctionable conduct under the ISA, the President of the United States (acting through the U.S. State Department and/or the U.S. Treasury Department) is required to impose at least five of 12 available sanctions. Sanctions include denial of export licenses, restrictions or prohibition on extensions of loans or credit, loss of eligibility to be awarded government contracts, a prohibition on transactions in foreign exchange by the sanctioned company, a prohibition of any transfers of credit or payments between, by, through or to any financial institution to the extent the interest of a sanctioned company is involved, a ban on investment in the debt or equity securities of the sanctioned party, exclusion of the sanctioned entity's corporate officers from the United States, sanctions imposed directly on the principal executive officers of the sanctioned entity and a requirement to "block" or "freeze" any property of the sanctioned company that is subject to the jurisdiction of the United States.

In addition to these United States sanctions, the European Union has a variety of restrictive measures in force against Iran and Syria. Those measures include restrictions on the transportation of goods which could be used for nuclear enrichment related activities. Measures are also in place restricting the import, purchase and transport of Iranian or Syrian crude oil and the transportation of equipment used in the production of petroleum. In the case of Iran, those measures extend also to the import, purchase and transport of petrochemical products.

We are mindful of the restrictions discussed above and contained in the other applicable sanctions and embargo laws of the United States, the European Union and other jurisdictions that limit the ability of companies and persons from doing business or trading with targeted countries and persons. We believe that we are currently in compliance with all applicable sanctions and embargo laws and regulations.

In order to maintain compliance, among other things, we monitor and review the movement of our vessels, as well as the cargo being transported by our vessels, on a continuing basis. During 2013, our vessels made approximately 821 total calls on worldwide ports. None of the vessels in our fleet made any port calls in Cuba or

Syria. Of the vessels in our fleet, six made one port call each to Iran representing approximately 0.7% of our total calls. In addition, a vessel owned by our affiliate, Capital Maritime, made one port call to Iran. As part of the voyage charter arrangements between our affiliate Capital Maritime and third party charterers, Capital Maritime or its manager may pay fees and expenses related to the port calls made in Iran through a private third party agent in Iran appointed by the third party charterer, which in 2013 did not include any payments for refueling or bunkers for the vessels making such port calls. The six port calls made by CPLP vessels and the one port call made by a Capital Maritime vessel all occurred while the respective vessels were sublet by their charterer under voyage charters to third parties. To the best of our knowledge, the vessels making these port calls were transporting either vegetable oils or molasses, not crude oil, petroleum, refined petroleum, petrochemical products, uranium or weapons, or other goods that are specially targeted by various sanctions and embargo laws of the United States, such as the ISA, or the European Union. We believe all such port calls were made in full compliance with applicable regulations, including those of the United States, the European Union and other relevant jurisdictions.

Our charter agreements include provisions that, on the one hand, restrict trades of our vessels to countries under sanctions or embargoes and, on the other, allow any transportation activities involving sanctioned countries to the extent permitted under the applicable sanction or embargo requirements. Our ordinary chartering policy is to try and include similar provisions in all of our period charters. Prior to agreeing to waive existing charter party restrictions on carrying cargoes to or from Iranian ports, we ensure that the charterers have proof of compliance with international and U.S. sanction exemptions. More specifically, our current charters proscribe trades of our vessels to Cuba and contain provisions to also exclude Iran and Syria in certain situations, including in the event that a boycott or further sanctions are imposed by a relevant jurisdiction regarding trade with Iran and Syria. Our charters at this time do not impose a blanket prohibition on port calls in the Sudan.

Should one of our charterers engage in actions that involve us or our vessels and that may, if completed, represent material violations of sanctions and embargo laws or regulations, we would rely on our monitoring and control systems, including documentation, such as bills of lading, regular check-ins with the crews of our vessels and electronic tracking systems on our vessels to detect such actions on a prompt basis and seek to prevent them from occurring.

Notwithstanding the above, it is possible that new sanctions-related legislation that could impact our business may be enacted in the future. In addition, it is possible that the charterers of our vessels may violate applicable sanctions, laws and regulations, using our vessels or otherwise, and the applicable authorities may seek to review our activities as the vessel owner. Although we do not believe that current sanctions and embargoes prevent our vessels from making all calls to ports in these countries, potential investors could view such port calls negatively, which could adversely affect our reputation and the market for our common units. Moreover, although we believe that we are in compliance with all applicable sanctions and embargo laws and regulations, and intend to maintain such compliance, we may not be in strict and absolute compliance in the future, particularly as the scope of certain laws may be unclear, may be subject to changing interpretations or may be strengthened or otherwise amended. Any such violation could result in fines or other penalties and could result in some investors deciding, or being required, to divest their interest, or not to invest, in our common units. Additionally, some investors, including U.S. state pension funds, may decide, or be required, to divest their interest, or not to invest, in our common units simply because we may do business with charterers that do business in sanctioned countries, or because of port calls of our vessels to ports of sanctioned countries, which could have a negative effect on the price of our common units or our ability to make distributions on our common units. Moreover, our charterers may violate applicable sanctions and embargo laws and regulations as a result of actions that do not involve us or our vessels, and those violations could in turn negatively affect our reputation. Investor perception of the value of our common units may also be adversely affected by the consequences of war, the effects of terrorism, civil unrest and governmental actions in these and surrounding countries. Finally, future expansion of sanctions against these or other countries could prevent our tankers from making any calls at certain ports, which potentially could have a negative impact on our business and results of operations.

Marine transportation is inherently risky, and an incident involving significant loss of, or environmental contamination by, any of our vessels could harm our reputation and business.

Our vessels and their cargoes are at risk of being damaged or lost because of events such as:

- marine disasters;
- bad weather;
- mechanical failures;
- grounding, fire, explosions and collisions;
- piracy;
- human error; and
- war and terrorism.

An accident involving any of our vessels could result in any of the following:

- environmental damage, including liabilities and costs to recover any spilled oil or other petroleum products, and to pay for environmental damage and ecosystem restoration where the spill occurred;
- death or injury to persons, or loss of property;
- delays in the delivery of cargo;
- loss of revenues from or termination of charter contracts;
- governmental fines, penalties or restrictions on conducting business;
- higher insurance rates; and
- damage to our reputation and customer relationships generally.

Any of these results could have a material adverse effect on our business, financial condition and operating results.

Compliance with safety and other vessel requirements imposed by classification societies may be costly and could reduce our net cash flows and net income.

The hull and machinery of every commercial vessel must be certified as being “in class” by a classification society authorized by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and the Safety of Life at Sea Convention.

A vessel must undergo annual surveys, intermediate surveys and special surveys. In lieu of a special survey, a vessel’s machinery may be placed on a continuous survey cycle, under which the machinery would be surveyed periodically over a five-year period. We expect our vessels to be on special survey cycles for hull inspection and continuous survey cycles for machinery inspection. Every vessel is also required to be drydocked every two to three years for inspection of its underwater parts, a cost which is undertaken by our manager under the terms of our management agreement.

If any vessel does not maintain its class or fails any annual, intermediate or special survey, the vessel will be unable to trade between ports and will be unemployable, which could have a material adverse effect on our business, results of operations, cash flows, financial condition and ability to make cash distributions.

Our insurance may be insufficient to cover losses that may occur to our property or result from our commercial operations.

The operation of ocean-going vessels in international trade is inherently risky. Not all risks can be adequately insured against and any particular claim upon our insurance may not be paid for any number of reasons. We do not currently maintain off-hire insurance, covering loss of revenue during extended vessel off-hire periods such as may occur whilst a vessel is under repair. Accordingly, even though a unique cover has been negotiated to mitigate such off-hire losses to a certain extent, any extended vessel off-hire due to an accident or otherwise, could have a materially adverse effect on our business and our ability to pay distributions to our unitholders. Claims covered by insurance are subject to deductibles and since it is possible that a large number of claims may arise, the aggregate amount of these deductibles could be material. Certain of our insurance coverage is maintained through mutual protection and indemnity associations, and as a member of such associations we may be required to make additional payments over and above budgeted premiums if member claims exceed association reserves. Please read “Item 3D: Risk Factors—Risks Inherent in Our Operations—We will be subject to funding calls by our protection and indemnity associations, and our associations may not have enough resources to cover claims made against them, resulting in potential unbudgeted supplementary liability to fund claims made upon us.” below.

We may be unable to procure adequate insurance coverage at commercially reasonable rates in the future. For example, more stringent environmental regulations have led in the past to increased costs for, and in the future may result in the lack of availability of, insurance against risks of environmental damage or pollution. A catastrophic oil spill or marine disaster could exceed our insurance coverage, which could harm our business, financial condition and operating results. In addition, certain of our vessels are under bareboat charters with BP Shipping Limited and subsidiaries of OSG. Under the terms of these charters, the charterer provides for the insurance of the vessel and as a result these vessels may not be adequately insured and/or in some cases may be self-insured. Any uninsured or underinsured loss could harm our business and financial condition. In addition, our insurance may be voidable by the insurers as a result of certain of our actions, such as our ships failing to maintain certification with applicable maritime self-regulatory organizations.

Changes in the insurance markets attributable to terrorist attacks may also make certain types of insurance more difficult for us to obtain. In addition, the insurance that may be available to us may be significantly more expensive than our existing coverage.

We will be subject to funding calls by our protection and indemnity associations, and our associations may not have enough resources to cover claims made against them, resulting in potential unbudgeted supplementary liability to fund claims made upon us.

Cover for legal liabilities incurred in consequence of commercial operations is provided through membership in P&I Associations. P&I Associations are mutual insurance associations whose members must contribute proportionately to cover losses sustained by all the association's members who remain subject to calls for additional funds if the aggregate premiums are insufficient to cover claims submitted to the association. Claims submitted to the Associations include those incurred by its members but also claims submitted by other P&I Associations under claims pooling agreements. The P&I Associations to which we belong may not remain viable and we may become subject to additional funding calls which could adversely affect us.

The maritime transportation industry is subject to substantial environmental and other regulations and international standards, which may significantly limit our operations or increase our expenses.

Our operations are affected by extensive and changing international, national and local environmental protection laws, regulations, treaties, conventions and standards in force in international waters, the jurisdictional waters of the countries in which our vessels operate, as well as the countries of our vessels' registration. Many of these requirements are designed to reduce the risk of oil spills, air emissions and other pollution, and to reduce potential negative environmental effects associated with the maritime industry in general. Our compliance with these requirements can be costly.

These requirements can affect the resale value or useful lives of our vessels, increase operational costs, require a reduction in cargo capacity, ship modifications or operational changes or restrictions, decrease profitability, lead to decreased availability of insurance coverage for environmental matters or result in the denial of access to certain jurisdictional waters or ports, or detention in certain ports. Under local, national and foreign laws, as well as international treaties and conventions, we could incur material liabilities, including cleanup obligations and natural resource damages, in the event that there is a release of petroleum or other hazardous substances from our vessels or otherwise in connection with our operations. We could also become subject to personal injury and property damage claims and natural resource damages relating to the release of or exposure to hazardous materials associated with our current or historic operations. Violations of or liabilities under environmental requirements also can result in substantial penalties, fines and other sanctions, including, in certain instances, seizure or detention of our vessels.

We could incur significant costs, including cleanup costs, fines, penalties, third-party claims and natural resource damages, as the result of an oil spill or other liabilities under environmental laws. OPA 90 affects all vessel owners shipping oil or petroleum products to, from or within United States territorial waters. OPA 90 allows for potentially unlimited cleanup liability without regard to fault of owners, operators and bareboat charterers of vessels for oil pollution in U.S. waters. Similarly, the International Convention on Civil Liability for Oil Pollution Damage,

1969, as amended, which has been adopted by most countries outside of the United States, imposes liability for oil pollution in international waters. OPA 90 expressly permits individual states to impose their own stricter liability regimes with regard to hazardous materials and oil pollution incidents occurring within their boundaries. Certain coastal states in the United States, especially on the Pacific coast, have enacted pollution prevention liability and response laws, many providing for strict or unlimited liability.

In addition to complying with existing laws and regulations and those that may be adopted, shipowners may incur significant additional costs in meeting new maintenance, training and inspection requirements, in developing contingency arrangements for potential spills and in obtaining insurance coverage. Government regulation of vessels, particularly in the areas of safety and environmental requirements, can be expected to become stricter in the future and require us to incur significant capital expenditure on our vessels to keep them in compliance, or even to scrap or sell certain vessels altogether. For example, recent amendments to MARPOL regulations regarding the prevention of air pollution from ships establish a series of progressively stricter standards to further limit the sulfur content in fuel oil, which will be phased in through 2020, and new tiers of nitrogen oxide ("NOx") emission standards for new marine diesel engines, depending on their date of installation. Additionally, more stringent emission standards apply in the coastal areas designated as Emission Control Areas, including the Baltic Sea, the North Sea, and the United States and Canadian coastal areas.

Further legislation, or amendments to existing legislation, applicable to international and national maritime trade is expected over the coming years relating to environmental matters, such as ship recycling, sewage systems, emission control (including emissions of greenhouse gases), cold-ironing while docked and ballast treatment and handling.

For example, legislation and regulations that will require more stringent controls of air emissions from ocean-going vessels are pending or have been approved at the federal and state level in the United States. The relevant standards are consistent with the 2008 Amendments to Annex VI of MARPOL. Such legislation or regulations may require significant additional capital expenditures (such as additional costs required for the installation of control equipment on each vessel) or operating expenses (such as increased costs for low-sulfur fuel) in order for us to maintain our vessels' compliance with international and/or national regulations and standards.

In addition, various jurisdictions and organizations, including the IMO and the United States government, have proposed or implemented requirements governing the management of ballast water to prevent the introduction of non-indigenous invasive species. To meet this challenge, the IMO has developed the International Convention for the Control and Management of Ships' Ballast Water and Sediments (the "BWM Convention"), to regulate discharges of ballast water and reduce the risk of introducing non-native species from ships' ballast water. The BWM Convention will enter into force 12 months after ratification by 30 states, representing 35% of world's merchant shipping tonnage. As of December 2013, 38 states, representing approximately 30.38% of the world's merchant shipping tonnage, have ratified the BWM Convention. We may incur additional costs to install the relevant control equipment on our vessels in order to comply with the new standards.

In the United States, ballast water management legislation has been enacted in several states, and federal legislation is currently pending in the U.S. Congress. In addition, the U.S. Environmental Protection Agency has also adopted a rule which requires commercial vessels to obtain a "Vessel General Permit" from the U.S. Coast Guard in compliance with the Federal Water Pollution Control Act (the "Clean Water Act") regulating, among other things, the discharge of ballast water and other discharges into U.S. waters. Permit holders must comply with U.S. Coast Guard regulations that phase in new ballast water management system standards and requirements for new built and existing ships beginning in 2013 and through 2016. Significant expenditures for the installation of additional equipment or new systems on board our vessels may be required in order to comply with existing or future regulations regarding ballast water management in these other jurisdictions, along with the potential for increased port disposal costs.

Other requirements may also come into force regarding the protection of endangered species, which could lead to changes in the routes our vessels follow or in trading patterns generally, and thus to additional operating expenditures. Additionally, new environmental regulations with respect to greenhouse gas emissions and preservation of biodiversity amongst others, may arise out of commitments made at international conferences such as periodic G8 and G20 summits through international environmental agreements and United Nations Climate Change Conferences or through other multilateral or bilateral agreements.

Furthermore, as a result of marine accidents we believe that regulation of the shipping industry will continue to become more stringent and more expensive for us and our competitors. In recent years, the IMO and EU have both accelerated their existing non-double-hull phase-out schedules in response to highly publicized oil spills and other shipping incidents involving companies unrelated to us. Future incidents may result in the adoption of even stricter laws and regulations, which could limit our operations or our ability to do business and which could have a material adverse effect on our business and financial results.

Please read "Item 4B: Business Overview—Regulation" below for a more detailed discussion of the regulations applicable to our vessels.

The crew employment agreements that manning agents enter into on behalf of Capital Maritime or any of its affiliates, including Capital Ship Management, our manager, may not prevent labor interruptions and the failure to renegotiate these agreements successfully in the future may disrupt our operations and adversely affect our cash flows.

The crew employment agreements that manning agents enter into on behalf of Capital Maritime or any of its affiliates, including Capital Ship Management, our manager, may not prevent labor interruptions and are subject to renegotiation in the future. Any labor interruptions, including due to a failure to renegotiate employment agreements with our crew members successfully could disrupt our operations and could adversely affect our business, results of operations, cash flows and financial condition.

If a more active short-term or spot containership market develops, we may have more difficulty entering into medium- to long-term, fixed-rate time charters and our existing customers may begin to pressure us to reduce our charter rates.

One of our principal strategies is to enter into medium- to long-term, fixed-rate time charters. As more containerships become available for the short-term or spot market, we may have difficulty entering into additional medium- to long-term, fixed-rate time charters for our vessels due to the increased supply of vessels and possibly lower rates in the spot market. As a result, our cash flow may be subject to instability in the long term. A more active short-term or spot containership market may require us to enter into charters based on changing market prices, as opposed to contracts based on a fixed rate, which could result in a decrease in our cash flow in periods when the market price for vessels is depressed or insufficient funds are available to cover our financing costs for related vessels. In addition, the development of an active short-term or spot containership market could affect rates under our existing time charters as our current customers may begin to pressure us to reduce our rates.

RISKS INHERENT IN AN INVESTMENT IN US

Capital Maritime and its affiliates may engage in competition with us.

Pursuant to the omnibus agreement that we and Capital Maritime have entered into, as amended and restated, Capital Maritime and its controlled affiliates (other than us, our general partner and our subsidiaries) have agreed not to acquire, own or operate product or crude oil tankers with carrying capacity over 30,000 dwt under time or bareboat charters with a remaining duration, excluding any extension options, of at least 12 months at the earliest of the following dates: (a) the date the tanker to which such time or bareboat charter is attached is first acquired by Capital Maritime and its controlled affiliates and (b) the date on which a tanker owned by Capital Maritime or its controlled affiliates is put under such time or bareboat charter without the consent of our general partner or first offering such tanker vessel to us. Similarly, we may not acquire, own or operate product or crude oil tankers with carrying capacity under 30,000 dwt, other than vessels we had owned prior to the date of such restatement without first offering such tanker vessel first to Capital Maritime. In addition, both we and Capital Maritime have granted the other party a right of first offer on the transfer or rechartering of any vessels with carrying capacity over 30,000 dwt. The omnibus agreement, however, contains significant exceptions that may allow Capital Maritime or any of its controlled affiliates to compete with us, which could harm our business. Please read "Item 7B: Related-Party Transactions—Transactions entered into during the year ended December 31, 2011".

Capital Maritime is a privately held company and there is little publicly available information about it.

Capital Maritime is our largest customer, with eleven of our 30 vessels chartered to it as of December 31, 2013. In addition, our manager is a subsidiary of Capital Maritime. The ability of Capital Maritime to continue providing services for our benefit will depend in part on its own financial strength and reputation in the industry.

Circumstances beyond our control could impair its financial strength and also affect its relationships and reputations within the industry, and because it is a privately held company, little or no information about its financial strength is publicly available. As a result, an investor in our common units might have little advance warning of problems Capital Maritime may experience, even though these problems could have a material adverse effect on us.

Unitholders have limited voting rights and our partnership agreement restricts the voting rights of unitholders owning 5% or more of our units.

Holders of common units have only limited voting rights on matters affecting our business. We hold a meeting of the limited partners every year to elect one or more members of our board of directors and to vote on any other matters that are properly brought before the meeting. Common unitholders (excluding Capital Maritime and its affiliates) elect five of the eight members of our board of directors. We do not currently have any outstanding subordinated units. The elected directors are elected on a staggered basis and serve for three-year terms. Our general partner in its sole discretion has the right to appoint the remaining three directors, who also serve for three-year terms. The partnership agreement also contains provisions limiting the ability of common unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the unitholders' ability to influence the manner or direction of management. Unitholders have no right to elect our general partner and our general partner may not be removed except by a vote of the holders of at least 66 $^{2}/_{3}$% of the outstanding units, including any units owned by our general partner and its affiliates, voting together as a single class and a majority vote of our board of directors. Currently, 67,237,409 common units are owned by non-affiliated public unitholders, representing 76.0% of our common units and a 61.6% common unitholder interest in us overall.

Our partnership agreement further restricts unitholders' voting rights by providing that if any person or group, other than our general partner, its affiliates, their transferees and persons who acquired such units with the prior approval of our board of directors, owns beneficially 5% or more of any class of units then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, except for purposes of nominating a person for election to our board, determining the presence of a quorum or for other similar purposes, unless required by law. The voting rights of any such unitholders in excess of 4.9% will be redistributed pro rata among the other unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. As affiliates of our general partner, Capital Maritime and Crude Carriers Investments Corp. ("Crude Carriers Investments") are not subject to this limitation.

As of December 31, 2013, the Marinakis family, including Evangelos M. Marinakis, our chairman, may be deemed to beneficially own a 27.3% interest in us through its beneficial ownership, amongst others, of Capital Maritime, which owned a 21.5% interest in us, including 17,692,891 common units, 4,048,484 Class B Units and a 1.6% interest in us through its ownership of our general partner, and of Crude Carriers Investments, which owned a 3.0% interest in us.

Our general partner and its other affiliates own a significant interest in us and have conflicts of interest and limited fiduciary and contractual duties, which may permit them to favor their own interests to your detriment.

Our general partner is in charge of our day-to-day affairs consistent with policies and procedures adopted by and subject to the direction of our board of directors. Our general partner and its affiliates and our directors have a fiduciary duty to manage us in a manner beneficial to us and our unitholders. The common units owned by affiliates of our general partner have the same rights as our other outstanding common units. However, the officers of our general partner have a fiduciary duty to manage our general partner in a manner beneficial to Capital Maritime. Furthermore, all of the officers of our general partner and certain of our directors are directors or officers

of Capital Maritime and its affiliates, and as such they have fiduciary duties to Capital Maritime that may cause them to pursue business strategies that disproportionately benefit Capital Maritime or which otherwise are not in the best interests of us or our unitholders. Conflicts of interest may arise between Capital Maritime and its affiliates, including our general partner and its officers, on the one hand, and us and our unitholders, on the other hand. As a result of these conflicts, our general partner and its affiliates may favor their own interests over the interests of our unitholders. Please read "Item 3D: Risk Factors—Risks Inherent in an Investment in Us—Our partnership agreement limits our general partner's and our directors' fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors." below. These conflicts include, among others, the following situations:

- neither our partnership agreement nor any other agreement requires our general partner or Capital Maritime or its affiliates to pursue a business strategy that favors us or utilizes our assets, and Capital Maritime's officers and directors have a fiduciary duty to make decisions in the best interests of the unitholders of Capital Maritime, which may be contrary to our interests;
- the executive officers of our general partner and three of our directors also serve as executive officers and/or directors of Capital Maritime;
- our general partner and our board of directors are allowed to take into account the interests of parties other than us, such as Capital Maritime, in resolving conflicts of interest, which has the effect of limiting their fiduciary duties to our unitholders;
- our general partner and our directors have limited their liabilities and reduced their fiduciary duties under the laws of The Marshall Islands, while also restricting the remedies available to our unitholders, and, as a result of purchasing our units, unitholders are treated as having agreed to the modified standard of fiduciary duties and to certain actions that may be taken by our general partner and our directors, all as set forth in the partnership agreement;
- our general partner and our board of directors will be involved in determining the amount and timing of our asset purchases and sales, capital expenditures, borrowings, and issuances of additional partnership securities and reserves, each of which can affect the amount of cash that is available for distribution to our unitholders;
- our general partner may have substantial influence over our board of directors' decision to cause us to borrow funds in order to permit the payment of cash distributions, even if the purpose or effect of the borrowing is to make a distribution on any subordinated units or to make incentive distributions;
- our general partner is entitled to reimbursement of all reasonable costs incurred by it and its affiliates for our benefit;
- our partnership agreement does not restrict us from paying our general partner or its affiliates for any services rendered to us on terms that are fair and reasonable or entering into additional contractual arrangements with any of these entities on our behalf; and
- our general partner may exercise its right to call and purchase our outstanding units if it and its affiliates own more than 90% of our common units.

Although a majority of our directors are elected by common unitholders, our general partner has a substantial influence on decisions made by our board of directors. Please read "Item 7B: Related-Party Transactions" below.

The vote of a majority of our common unitholders generally is required to amend the terms of our partnership agreement, including votes cast by affiliates of our general partner. As of December 31, 2013, a 27.3% interest in us may be deemed to be owned by affiliates of our general partner which can significantly impact any vote under the terms of our partnership agreement and may significantly affect your rights under the partnership agreement. In addition, affiliates of our general partner are not subject to the limitations on voting rights imposed on our other limited partners and may favor their own interests in any vote by our unitholders.

Under the terms of our partnership agreement the affirmative vote of a majority of common units (or in certain cases a higher percentage), generally is required in order to amend the terms of the partnership agreement or to reach certain decisions or actions, including:

- amendments to the definition of available cash, operating surplus and adjusted operating surplus;
- changes in our cash distribution policy;

- elimination of the obligation to pay the minimum quarterly distribution;
- elimination of the obligation to hold an annual general meeting;
- removal of any appointed director for cause;
- transfer of the general partner interest;
- transfer of the incentive distribution rights;
- the ability of the board to sell, exchange or otherwise dispose of all or substantially all of our assets;
- resolution of conflicts of interest;
- withdrawal of the general partner;
- removal of the general partner;
- dissolution of the partnership;
- change to the quorum requirements;
- approval of merger or consolidation; and
- any other amendment to the partnership agreement, except for certain amendments related to the day-to-day management of the Partnership and amendments necessary or appropriate to carrying on our business consistent with historical practice, including a change that our board of directors determines to be necessary or appropriate to qualify or continue our qualification as a limited partnership or a partnership in which our limited partners maintain limited liability under the laws of The Marshall Islands or any other jurisdiction, and an amendment that our board of directors, and, if required, our general partner, determines to be necessary or appropriate in connection with the authorization and issuance of any class or series of our securities.

Capital Maritime, our largest unitholder, may propose amendments to the partnership agreement that may favor its interests over yours and which may change or limit your rights under the partnership agreement. Following the conversion of our subordinated units into common units in February 2009, the risk of any shortfall in the payment of the quarterly distribution is now borne by our common unitholders, including Capital Maritime and Crude Carriers Investments, equally.

Furthermore, our partnership agreement provides that any changes to the rights of the Class B unitholders, whose rights rank senior to those of our common unitholders in many respects, must be approved by at least 75% of the holders of such units, excluding units held by Capital Maritime and its affiliates.

Please also read “Item 3D: Risk Factors—Risks Inherent in an Investment in Us—Unitholders have limited voting rights and our partnership agreement restricts the voting rights of unitholders owning 5% or more of our units.” above for more information on additional restrictions imposed by our partnership agreement.

We currently do not have any officers and rely, and expect to continue to rely, solely on officers of our general partner, who face conflicts in the allocation of their time to our business.

Our board of directors has not exercised its power to appoint officers of CPLP to date, and as a result, we rely, and expect to continue to rely, solely on the officers of our general partner, who are not required to work full-time on our affairs and who also work for affiliates of our general partner, including Capital Maritime. For example, our general partner’s Chief Executive Officer and Chief Financial Officer is also an executive officer of Capital Maritime. The affiliates of our general partner conduct substantial businesses and activities of their own in which we have no economic interest. As a result, there could be material competition for the time and effort of the officers of our general partner who also provide services to our general partner’s affiliates, which could have a material adverse effect on our business, results of operations and financial condition.

Our partnership agreement limits our general partner’s and our directors’ fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors.

Our partnership agreement contains provisions that reduce the standards to which our general partner and directors would otherwise be held by Marshall Islands law. For example, our partnership agreement:

- permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner. Where our partnership agreement permits, our general partner may consider only the interests and factors that it desires, and in such cases it has no duty or obligation to

give any consideration to any interest of, or factors affecting us, our affiliates or our unitholders. Decisions made by our general partner in its individual capacity will be made by its sole owner, Capital Maritime. Specifically, pursuant to our partnership agreement, our general partner will be considered to be acting in its individual capacity if it exercises its call right, preemptive rights or registration rights, consents or withholds consent to any merger or consolidation of the partnership, appoints any directors or votes for the election of any director, votes or refrains from voting on amendments to our partnership agreement that require a vote of the outstanding units, voluntarily withdraws from the partnership, transfers (to the extent permitted under our partnership agreement) or refrains from transferring its units, general partner interest or incentive distribution rights, or votes upon the dissolution of the partnership;

- provides that our general partner and our directors are entitled to make other decisions in "good faith" if they reasonably believe that the decision is in our best interests;
- generally provides that affiliated transactions and resolutions of conflicts of interest not approved by the conflicts committee of our board of directors and not involving a vote of unitholders must be on terms no less favorable to us than those generally being provided to or available from unrelated third parties or be "fair and reasonable" to us and that, in determining whether a transaction or resolution is "fair and reasonable", our board of directors may consider the totality of the relationships between the parties involved, including other transactions that may be particularly advantageous or beneficial to us; and
- provides that neither our general partner and its officers nor our directors will be liable for monetary damages to us, our limited partners or assignees for any acts or omissions unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that our general partner or directors or its officers or directors or those other persons engaged in actual fraud or willful misconduct.

In order to become a limited partner of our partnership, a unitholder is required to agree to be bound by the provisions in the partnership agreement, including the provisions discussed above.

Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner, and even if public unitholders are dissatisfied, they will be unable to remove our general partner without Capital Maritime's consent unless Capital Maritime's ownership share in us is below a specified threshold, all of which could diminish the trading price of our units.

Our partnership agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our general partner:

- The unitholders will be unable to remove our general partner without its consent so long as our general partner and its affiliates own sufficient units to be able to prevent such removal. The vote of the holders of at least 66 2/3% of all outstanding units voting together as a single class and a majority vote of our board of directors is required to remove the general partner. As of December 31, 2013, the Marinakis family, including Evangelos M. Marinakis, our chairman, may be deemed to beneficially own a 27.3% interest in us through its beneficial ownership, amongst others, of Capital Maritime and of Crude Carriers Investments.
- Common unitholders elect five of the eight members of our board of directors. Our general partner in its sole discretion has the right to appoint the remaining three directors.
- Election of the five directors elected by common unitholders is staggered, meaning that the members of only one of three classes of our elected directors are selected each year. In addition, the directors appointed by our general partner will serve for terms determined by our general partner.
- Our partnership agreement contains provisions limiting the ability of unitholders to call meetings of unitholders, to nominate directors and to acquire information about our operations as well as other provisions limiting the unitholders' ability to influence the manner or direction of management.
- Unitholders' voting rights are further restricted by the partnership agreement provision providing that if any person or group, other than our general partner, its affiliates, their transferees and persons who acquired such units with the prior approval of our board of directors, owns beneficially 5% or more of any class of units then outstanding, any such units owned by that person or group in excess of 4.9%

may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, except for purposes of nominating a person for election to our board, determining the presence of a quorum or for other similar purposes, unless required by law. The voting rights of any such unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote.

- We have substantial latitude in issuing equity securities without unitholder approval.

One effect of these provisions may be to diminish the price at which our units will trade.

The control of our general partner may be transferred to a third party without unitholder consent.

Our general partner may transfer its general partner interest to a third party in a merger or in a sale of all or substantially all of its assets without the consent of the unitholders. In addition, our partnership agreement does not restrict the ability of the members of our general partner from transferring their respective membership interests in our general partner to a third party. Any such change in control of our general partner may affect the way we and our operations are managed which could have a material adverse effect on our business, results of operations or financial condition and our ability to make cash distributions.

Future sales of our common units, or the issuance of additional preferred units, debt securities or warrants, could cause the market price of our common units to decline.

The market price of our common units could decline due to sales of a large number of units, or the issuance of debt securities or warrants, in the market, including sales of units by our large unitholders or under our three registration statements on Form F-3 filed with the SEC during 2011, 2012 and 2013, or the perception that these sales could occur. These sales could also make it more difficult or impossible for us to sell equity securities in the future at a time and price that we deem appropriate to raise funds through future offerings of common units. Please see “Item 4A: History and Development of the Partnership” for a more detailed description of our three registration statements on Form F-3 filed with the SEC.

In addition, pursuant to the terms of our partnership agreement, holders of our Class B Units may convert all or a portion of their Class B Units into common units at any time, and from time to time, at a ratio of one-for-one, such conversion ratio to be adjusted in the event that, among other certain anti-dilution protection provisions, the distribution rate on our common units is increased. As of December 31, 2013, certain Class B unitholders have converted 5,733,333 Class B Units into 5,733,333 common units. For a more thorough description of the rights and privileges of our Class B unitholders under our partnership agreement, including voting rights, please refer to our partnership agreement, as amended, filed as Exhibit I to our Current Report on Form 6-K dated February 22, 2010, as Exhibit I to our Current Report on Form 6-K dated September 30, 2011, as Exhibit II to the our Current Report on Form 6-K/A dated May 23, 2012 and as Exhibit II to our Current Report on Form 6-K dated March 21, 2013.

We may issue additional equity securities without your approval, which would dilute your ownership interests.

We may, without the approval of our unitholders, issue an unlimited number of additional units or other equity securities, including securities to Capital Maritime. To date, we have issued and outstanding 18,922,221 Class B units to certain investors which are convertible on a one-for-one basis into common units under certain circumstances, and have also issued 24,967,240 common units to holders of Crude Carriers’ shares, in a unit-for-share transaction consummated in September 2011 whereby Crude Carriers became a wholly owned subsidiary of ours. We have also issued common units in connection with the acquisition of certain of our vessels, either directly to Capital Maritime or through public offerings, including an issuance in August 2013 of 279,286 common units under our 2011 Form F-3 filed with the SEC. We may make additional such issuances in the future. In addition, in August 2010, we issued a total of 795,200 restricted common units under our Omnibus Incentive Compensation Plan adopted in April 2008, as amended (the “Plan”). The issuance by us of additional units or other equity securities of equal or senior rank will have the following effects:

- our unitholders’ proportionate ownership interest in us will decrease;
- the amount of cash available for distribution on each unit may decrease;
- the relative voting strength of each previously outstanding unit may be diminished; and
- the market price of the units may decline.

Our general partner has a limited call right that may require you to sell your units at an undesirable time or price.

If at any time our general partner and its affiliates own more than 90% of the common units, our general partner will have the right, which it may assign to any of its affiliates or to us, but not the obligation, to acquire all, but not less than all, of the common units or subordinated units held by unaffiliated persons at a price not less than their then-current market price. As a result, you may be required to sell your common units or subordinated units at an undesirable time or price and may not receive any return on your investment. You may also incur a tax liability upon a sale of your units.

You may not have limited liability if a court finds that unitholder action constitutes control of our business.

As a limited partner in a partnership organized under the laws of The Marshall Islands, you could be held liable for our obligations to the same extent as a general partner if you participate in the "control" of our business (and the person who transacts business with us reasonably believes, based on the limited partner's conduct, that the limited partner is a general partner). Our general partner generally has unlimited liability for the obligations of the partnership, such as its debts and environmental liabilities, except for those contractual obligations of the partnership that are expressly made without recourse to our general partner. In addition, the limitations on the liability of holders of limited partner interests for the obligations of a limited partnership have not been clearly established in some jurisdictions in which we do business. Please read "The Partnership Agreement—Limited Liability" in our Registration Statement on Form F-1 filed with the SEC on March 19, 2007, for a more detailed discussion of the implications of the limitations on liability to a unitholder.

We can borrow money to pay distributions, which would reduce the amount of credit available to operate our business.

Our partnership agreement allows us to make working capital borrowings to pay distributions. Accordingly, we can make distributions on all our units even though cash generated by our operations may not be sufficient to pay such distributions. Any working capital borrowings by us to make distributions will reduce the amount of working capital borrowings we can make for operating our business. For more information, please read "Item 5B: Liquidity and Capital Resources —Borrowings".

Increases in interest rates may cause the market price of our common units to decline.

An increase in interest rates may cause a corresponding decline in demand for equity investments in general, and in particular for yield based equity investments such as our common units. Any such increase in interest rates or reduction in demand for our common units resulting from other relatively more attractive investment opportunities may cause the trading price of our common units to decline.

Unitholders may have liability to repay distributions.

Under some circumstances, unitholders may have to repay amounts wrongfully returned or distributed to them. Under the Marshall Islands Limited Partnership Act (the "MILPA"), we may not make a distribution if the distribution would cause our liabilities (other than liabilities to partners on account of their partnership interest and liabilities for which the recourse of creditors is limited to specified property of ours) to exceed the fair value of our assets, except that the fair value of property that is subject to a liability for which the recourse of creditors is limited shall be included in our assets only to the extent that the fair value of that property exceeds that liability. The MILPA provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated the MILPA will be liable to the limited partnership for the distribution amount. Assignees who become substituted limited partners are liable for the obligations of the assignor to make contributions to the partnership that are known to the assignee at the time it became a limited partner and for unknown obligations if the liabilities could be determined from the partnership agreement.

We have incurred, and may continue to incur significant costs in complying with the requirements of the U.S. Sarbanes-Oxley Act of 2002. If management is unable to continue to provide reports as to the effectiveness of our internal control over financial reporting or our independent registered public accounting firm is unable to continue to provide us with unqualified attestation reports as to the effectiveness of our internal control over financial reporting, investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our common units.

We completed our IPO on the Nasdaq Global Market on April 3, 2007. As a publicly traded limited partnership, we are required to comply with the SEC's reporting requirements and with corporate governance and related requirements of the U.S. Sarbanes-Oxley Act of 2002, the SEC and the Nasdaq Global Market, on which our common units are listed. Section 404 of the U.S. Sarbanes-Oxley Act of 2002 ("SOX 404") requires that we evaluate and determine the effectiveness of our internal control over financial reporting on an annual basis and include in our reports filed with the SEC our management's assessment of the effectiveness of our internal control over financial reporting and a related attestation of our independent registered public accounting firm. As our manager, Capital Maritime provides substantially all of our financial reporting and we depend on the procedures they have in place. If, in such future annual reports on Form 20-F, our management cannot provide a report as to the effectiveness of our internal control over financial reporting or our independent registered public accounting firm is unable to provide us with an unqualified attestation report as to the effectiveness of our internal control over financial reporting as required by SOX 404, investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our common units.

We have and expect we will continue to have to dedicate a significant amount of time and resources to ensure compliance with the regulatory requirements of SOX 404. We will continue to work with our legal, accounting and financial advisors to identify any areas in which changes should be made to our financial and management control systems to manage our growth and our obligations as a public company. However, these and other measures we may take may not be sufficient to allow us to satisfy our obligations as a public company on a timely and reliable basis. If we have a material weakness in our internal control over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated. We have incurred and will continue to incur legal, accounting and other expenses in complying with these and other applicable regulations. We anticipate that our incremental general and administrative expenses as a publicly traded limited partnership taxed as a corporation for U.S. federal income tax purposes will include costs associated with annual reports to unitholders, tax returns, investor relations, registrar and transfer agent's fees, incremental director and officer liability insurance costs and director compensation.

Our organization as a limited partnership under the laws of the Republic of The Marshall Islands may limit the ability of our unitholders to protect their interests.

Our affairs are governed by our partnership agreement and the MILPA. The provisions of the MILPA resemble provisions of the limited partnership laws of a number of states in the United States, most notably Delaware. The MILPA also provides that it is to be applied and construed to make it uniform with the Delaware Revised Uniform Partnership Act and, so long as it does not conflict with the MILPA or decisions of the Marshall Islands courts, interpreted according to the non-statutory law (or case law) of the State of Delaware. However, there have been few, if any, judicial cases in the Republic of The Marshall Islands interpreting the MILPA. For example, the rights and fiduciary responsibilities of directors under the laws of the Republic of The Marshall Islands are not as clearly established as the rights and fiduciary responsibilities of directors under statutes or judicial precedent in existence in certain U.S. jurisdictions. Although the MILPA does specifically incorporate the non-statutory law, or judicial case law, of the State of Delaware, our public unitholders may have more difficulty in protecting their interests in the face of actions by management, directors or controlling unitholders than would shareholders of a limited partnership organized in a U.S. jurisdiction.

It may not be possible for investors to enforce U.S. judgments against us.

We are organized under the laws of the Republic of The Marshall Islands, as is our general partner and most of our subsidiaries. Most of our directors and the directors and officers of our general partner and those of our subsidiaries are residents of countries other than the United States. Substantially all of our assets and those of our subsidiaries are located outside the United States. As a result, it may be difficult or impossible for U.S. investors to serve process within the United States upon us or to enforce judgment upon us for civil liabilities in U.S. courts. In addition, you should not assume that courts in the countries in which we or our subsidiaries are incorporated or organized or where our assets or the assets of our subsidiaries are located (1) would enforce judgments of U.S.

courts obtained in actions against us or our subsidiaries based upon the civil liability provisions of applicable U.S. federal and state securities laws or (2) would impose, in original actions, liabilities against us or our subsidiaries based upon these laws.

TAX RISKS

In addition to the following risk factors, you should read "Item 10E: Taxation" below for a more complete discussion of the expected material U.S. federal and non-U.S. income tax considerations relating to us and the ownership and disposition of our units.

U.S. tax authorities could treat us as a "passive foreign investment company", which could have adverse U.S. federal income tax consequences to U.S. unitholders.

A foreign entity taxed as a corporation for U.S. federal income tax purposes will be treated as a "passive foreign investment company" (a "PFIC") for U.S. federal income tax purposes if (x) at least 75% of its gross income for any taxable year consists of certain types of "passive income", or (y) at least 50% of the average value of the entity's assets produce or are held for the production of those types of "passive income". For purposes of these tests, "passive income" includes dividends, interest, gains from the sale or exchange of investment property, and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business. For purposes of these tests, income derived from the performance of services does not constitute "passive income". U.S. persons who own shares of a PFIC are subject to a disadvantageous U.S. federal income tax regime with respect to the income derived by the PFIC, the distributions they receive from the PFIC, and the gain, if any, they derive from the sale or other disposition of their shares in the PFIC.

Based on our current and projected method of operation, we believe that we are not currently a PFIC and we do not expect to become a PFIC in the future. We intend to treat our income from spot and time chartering activities as non-passive income, and the vessels engaged in those activities as non-passive assets, for PFIC purposes. However, no assurance can be given that the Internal Revenue Service (the "IRS") or a United States court will accept this position, and there is accordingly a risk that the IRS or a United States court could determine that we are a PFIC. Moreover, no assurance can be given that we would not constitute a PFIC for any future taxable year if there were to be changes in our assets, income or operations. See "Item 10E: Taxation—Material United States Federal Income Tax Considerations—PFIC Status and Significant Tax Consequences".

We may have to pay tax on United States source income, which would reduce our earnings.

Under the Internal Revenue Code of 1986, as amended (the "Code"), 50% of the gross shipping income of a vessel owning or chartering corporation that is attributable to transportation that either begins or ends, but that does not both begin and end, in the U.S. is characterized as U.S. source shipping income and such income generally is subject to a 4% U.S. federal income tax without allowance for deduction, unless that corporation qualifies for exemption from tax under Section 883 of the Code. We believe that we and each of our subsidiaries will qualify for this statutory tax exemption, and we will take this position for U.S. federal income tax return reporting purposes. See "Item 10E: Taxation—Material United States Federal Income Tax Considerations—The Section 883 Exemption". However, there are factual circumstances, including some that may be beyond our control, which could cause us to lose the benefit of this tax exemption. In addition, our conclusion that we currently qualify for this exemption is based upon legal authorities that do not expressly contemplate an organizational structure such as ours. Although we have elected to be treated as a corporation for U.S. federal income tax purposes, for corporate law purposes we are organized as a limited partnership under Marshall Islands law. Our general partner will be responsible for managing our business and affairs and has been granted certain veto rights over decisions of our board of directors. Therefore, we can give no assurances that the IRS will not take a different position regarding our qualification, or the qualification of any of our subsidiaries, for this tax exemption.

If we or our subsidiaries are not entitled to this exemption under Section 883 of the Code for any taxable year, we or our subsidiaries generally would be subject for those years to a 4% U.S. federal gross income tax on our U.S. source shipping income. The imposition of this taxation could have a negative effect on our business and would result in decreased earnings available for distribution to our unitholders.

You may be subject to income tax in one or more non-U.S. countries, including Greece, as a result of owning our units if, under the laws of any such country, we are considered to be carrying on business there. Such laws may require you to file a tax return with and pay taxes to those countries.

We intend that our affairs and the business of each of our subsidiaries will be conducted and operated in a manner that minimizes income taxes imposed upon us and these subsidiaries or which may be imposed upon you as a result of owning our units. However, because we are organized as a partnership, there is a risk in some jurisdictions that our activities and the activities of our subsidiaries may be attributed to our unitholders for tax purposes and, thus, that you will be subject to tax in one or more non-U.S. countries, including Greece, as a result of owning our units if, under the laws of any such country, we are considered to be carrying on business there. If you are subject to tax in any such country, you may be required to file a tax return with and pay tax in that country based on your allocable share of our income. We may be required to reduce distributions to you on account of any withholding obligations imposed upon us by that country in respect of such allocation to you. The United States may not allow a tax credit for any foreign income taxes that you directly or indirectly incur.

We believe we can conduct our activities in a manner so that our unitholders should not be considered to be carrying on business in Greece solely as a consequence of acquiring, holding, disposing of or participating in the redemption of our units. However, the question of whether either we or any of our subsidiaries will be treated as carrying on business in any country, including Greece, will largely be a question of fact determined through an analysis of contractual arrangements, including the management and the administrative services agreements we have entered into with Capital Ship Management, and the way we conduct business or operations, all of which may change over time. The laws of Greece or any other foreign country may also change, which could cause the country's taxing authorities to determine that we are carrying on business in such country and are subject to its taxation laws. Any foreign taxes imposed on us or any subsidiaries will reduce our cash available for distribution.

Item 4. Information on the Partnership.

A. History and Development of the Partnership

We are a master limited partnership formed as Capital Product Partners L.P. under the laws of The Marshall Islands on January 16, 2007. We completed our IPO in April 2007 at which time our fleet consisted of eight vessels as compared to the 30 currently in our fleet. We maintain our principal executive headquarters at 3 Iassonos Street, Piraeus, 18537 Greece and our telephone number is +30 210 4584 950. Our registered address in the Marshall Islands is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960. The name of our registered agent at such address is The Trust Company of the Marshall Islands, Inc.

On February 23, 2010, we announced the issuance of 5,800,000 common units at a public offering price of $8.85 per common unit under our Registration Statement on Form F-3 dated August 29, 2008, as amended (the "2008 Form F-3"). An additional 481,578 common units were subsequently sold on the same terms following the partial exercise of the over-allotment option granted to the underwriters for the offering. Capital GP L.L.C., our general partner, participated in both the offering and the exercise of the over-allotment option and purchased an additional 128,195 units at the public offering price, thereby maintaining its 2% interest us. Aggregate proceeds, net of commissions but before expenses relating to the offering, were approximately $54.0 million. The net proceeds from the offering were used to acquire one MR tanker at an acquisition price of $43.0 million and for general partnership purposes.

On July 22, 2010, we held our annual general meeting of unitholders, at which time the two initial directors appointed by Capital Maritime and designated as Class III elected directors were reelected by a majority of our common unitholders (excluding common units held by Capital Maritime). As of this annual meeting, a majority of our board has been elected by our common unitholders, rather than appointed by our general partner.

On August 9, 2010, we announced the issuance of 5,500,000 common units at a public offering price of $8.63 per common unit under our 2008 Form F-3. An additional 552,254 common units were subsequently sold on the same terms following the partial exercise of the over-allotment option granted to the underwriters. Capital GP L.L.C., our general partner, participated in both the offering and the exercise of the over-allotment option and purchased an additional 123,515 units at the public offering price, thereby maintaining its 2% interest in us.

Aggregate proceeds, net of commissions but before expenses relating to the offering, were approximately $50.8 million. The net proceeds from the offering were used to acquire one MR tanker at an acquisition price of $43.5 million and for general partnership purposes.

On May 5, 2011, we entered into a definitive agreement to merge with Crude Carriers in a unit-for-share transaction whereby Crude Carriers would become a wholly owned subsidiary of ours. The exchange ratio was 1.56 of our units for each Crude Carriers share. In September 2011, we completed the merger with Crude Carriers, which was approved by 60.3% of Crude Carriers' unaffiliated shareholders voting as a separate class, representing approximately 97.9% of the total votes cast, at a special shareholders' meeting. In connection with the merger, we issued an additional 24,967,240 common units to holders of Crude Carriers' shares, which include 3,284,210 common units resulting from the conversion of Crude Carriers' Class B Shares owned by Crude Carriers Investments and 623,064 common units resulting from the conversion of common shares issued under the Crude Carriers Equity Incentive Plan (the "Crude Plan"). We also approved the election of Dimitris Christacopoulos, an independent member of the Crude Carriers board, to our board of directors. Concurrently with the completion of the merger, and in order for our general partner to maintain its 2% interest in us, 499,346 common units owned by Capital Maritime were converted into general partner units. For additional information regarding the merger with Crude Carriers please see our Registration Statement on Form F-4 filed with the SEC and declared effective on August 12, 2011 (our "Form F-4") and Note 3 (Acquisitions) to our Financial Statements included herein.

In June 2011, we completed the acquisition of the vessel owning company of the M/V Cape Agamemnon and the attached charter from Capital Maritime. The vessel is under a charter to Cosco, which was amended in November 2011, for a ten-year period which commenced in July 2010. The acquisition was funded through $1.5 million from available cash and the incurrence of $25.0 million of debt under our 2011 credit facility and the remainder through the issuance of 6,958,000 common units to Capital Maritime. The acquisition was approved by our board of directors following approval by the conflicts committee.

In June 2011, we entered into a new $25.0 million credit facility with Credit Agricole Emporiki Bank which, as subsequently amended, is non-amortizing until March 2016 and is priced at LIBOR plus 3.25%. We used the full amount available under this facility in connection with the acquisition of the M/V Cape Agamemnon. Following certain prepayments, as of the date of this Annual Report $19.0 million was outstanding under the 2011 credit facility.

In September 2011, we completed the refinancing of Crude Carriers' outstanding debt of $134.6 million using our 2008 credit facility. The refinanced amount is non-amortizing until March 2016.

In September 2011, pursuant to the terms of our merger agreement with Crude Carriers, we amended and restated the omnibus agreement we had entered into at the time of our IPO with Capital Maritime. Under the terms of the amended and restated omnibus agreement Capital Maritime and its controlled affiliates (other than us, our general partner and our subsidiaries) have agreed not to acquire, own or operate product or crude oil tankers with carrying capacity over 30,000 dwt under time or bareboat charters with a remaining duration, excluding any extension options, of at least 12 months at the earliest of the following dates: (a) the date the tanker to which such time or bareboat charter is attached is first acquired by Capital Maritime and its controlled affiliates and (b) the date on which a tanker owned by Capital Maritime or its controlled affiliates is put under such time or bareboat charter without the consent of our general partner or first offering such tanker vessel to us. Similarly, we may not acquire, own or operate product or crude oil tankers with carrying capacity under 30,000 dwt, other than vessels we had owned prior to the date of such restatement without first offering such tanker vessel first to Capital Maritime. In addition, both we and Capital Maritime have granted the other party a right of first offer on the transfer or rechartering of any vessels with carrying capacity over 30,000 dwt.

On December 9, 2011, our Registration Statement on Form F-3 filed with the SEC during 2011 using a "shelf" registration process, as amended, was declared effective (the "2011 Form F-3"). Under this 2011 Form F-3, we may sell, in one or more offerings, up to $500.0 million in total aggregate offering price of common units, preferred units, debt securities, including debt securities convertible into or exchangeable for common units or other securities, and warrants.

In May 2012 we announced an agreement to issue $140.0 million of Class B Units to a group of investors including amongst others Kayne Anderson Capital Advisors, L.P., Swank Capital LLC, Salient Partners, Spring Creek Capital LLC, Mason Street Advisors LLC and our sponsor Capital Maritime (the "Purchasers"). As of June 6, 2012, we had completed the issuance and sale of 15,555,554 Class B Units to the Purchasers pursuant to the Class B Convertible Preferred Unit Subscription Agreements dated May 11, 2012 and June 6, 2012, respectively (the "Subscription Agreements"), entered into with the Purchasers. The Class B Units were priced at $9.00 per unit and are convertible at any time into common units of the Partnership on a one-for-one basis. The Class B Units pay a fixed quarterly distribution of $0.21375 per unit representing an annualized distribution yield of 9.5%. The net proceeds of the transaction, together with part of our cash balances, were used to prepay debt of $149.6 million across our three credit facilities. The transaction was unanimously approved by our board of directors.

In connection with the issuance and sale of the Class B Units, we adopted the Second Amendment, dated as of May 22, 2012 (the "Second Amendment to the Partnership Agreement"), to our partnership agreement, which established and set forth the rights, preferences, privileges, duties and obligations of the Class B Units. The issued Class B Units have certain rights that are senior to the rights of the holders of common units, such as the right to distributions and rights upon liquidation of the Partnership. Furthermore, we entered into the certain Registration Rights Agreements, dated as of May 22, 2012 and June 6, 2012, respectively ("Registration Rights Agreements"), with certain Purchasers, relating to the registered resale of common units issuable upon the conversion of the Class B Units purchased pursuant to the Subscription Agreements. The Class B Units have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent a registration statement or exemption from registration.

In addition, we also entered into amendments to our three credit facilities which provide for a deferral of scheduled amortization payments under each of our three credit facilities until March 31, 2016, the conversion of the 2007 credit facility to a term loan and cancellation of the undrawn tranche of $52.5 million of our 2008 facility. In addition, the interest margin of our 2007 and 2008 facilities was increased to 2.0% and 3.0%, respectively. All other terms in these credit facilities remained unchanged.

For additional information regarding the issuance and sale of the Class B Units, the Registration Rights Agreements, the Subscription Agreements and the Second Amendment to the Partnership Agreement please see our Current Reports on Form 6-K furnished to the SEC on May 23, 2012 and June 6, 2012 and Note 13 (Partners' Capital) to our Financial Statements included herein.

2013 Developments

Issuance and Sale of Class B Units

In March 2013 we announced an agreement to issue 9.1 million Class B Units to funds managed by Kayne Anderson Capital Advisors, L.P. and Oaktree Capital Management, L.P. as well as to our sponsor Capital Maritime (the "2013 Purchasers") and completed the issuance and sale of such 9.1 million Class B Units to the 2013 Purchasers pursuant to the Class B Convertible Preferred Unit Subscription Agreement dated March 15, 2013 (the "2013 Subscription Agreement") entered into with the 2013 Purchasers. The Class B Units were priced at $8.25 per unit. In connection with the issuance and sale of the Class B Units, we adopted the Third Amendment, dated as of March 19, 2013 (the "Third Amendment to the Partnership Agreement"), to our partnership agreement, which amends some of the rights, preferences and privileges of the Class B Units. As described above and in further detail in the Second Amendment to the Partnership Agreement, filed as Exhibit II to the our Current Report on Form 6-K/A dated May 23, 2012, the Class B Units have certain rights that are senior to the rights of the holders of our common units, such as the right to distributions and rights upon liquidation of the Partnership. The Third Amendment to the Partnership Agreement amends certain terms of the Class B Units, including an adjustment to the distribution rate for the Class B Units in the event the distribution rate on our common units is increased, and providing for the payment of distributions to holders of Class B Units in common units in the event distributions are not paid in cash. The Class B Units remain convertible at any time into common units of the Partnership on a one-for-one basis and continue to pay a fixed quarterly distribution of $0.21375 per unit representing an annualized distribution yield of 9.5%.

The net proceeds of the transaction, together with approximately $54.0 million from our existing credit facilities and part of our cash balances, were used for the acquisition of two 5,023 TEU container vessels, the M/V 'Hyundai Premium' and M/V 'Hyundai Paramount', for a total consideration of $130.0 million. Both the M/V 'Hyundai Premium' and M/V 'Hyundai Paramount' are 2013 built at Hyundai Heavy Industries Co. Ltd.. The vessels were originally ordered by Capital Maritime and have secured a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day.

OSG Bankruptcy and Assignment of Claims

On November 14, 2012, OSG and certain of its subsidiaries made a voluntary filing for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). As of December 31, 2013, we had three IMO II/III Chemical/Product tankers (M/T Alexandros II, M/T Aristotelis II and M/T Aris II, all built in 2008 by STX Offshore & Shipbuilding Co. Ltd.) on long term bareboat charter to subsidiaries of OSG. These charters were scheduled to terminate, approximately, in November 2017, April and June of 2018, respectively, and were at rates that were substantially above then current market rates. OSG requested that we reduce the charter rates for their remaining terms to substantially lower rates.

After discussions with OSG, we agreed to enter into new charters with OSG on substantially the same terms as the prior charters, but at a bareboat rate of $6,250 per day. The new charters were approved by the Bankruptcy Court on March 21, 2013, and were effective as of March 1, 2013. On the same date, the Bankruptcy Court also rejected the prior charters as of March 1, 2013. Rejection of each prior charter constitutes a material breach of such charter.

On May 24, 2013, we filed six claims (the "Claims") for a total of $54.1 million against each of the three charterers and their respective three guarantors for damages resulting from the rejection of each of the prior charters, including, among other things, for the difference between the bareboat rate of the new charters and the bareboat rate under each of the rejected prior charters.

We transferred to Deutsche Bank Securities Inc. ("Deutsche Bank") all of our rights, title, interest, claims and causes of action in and to, or arising under or in connection with, the Claims pursuant to three separate Assignment of Claim Agreements, dated as of June 24, 2013, and effective as of June 26, 2013 (collectively, as may be amended or supplemented from time to time, the "Assignment Agreements"). In connection with the Assignment Agreements, on July 2, 2013, Deutsche Bank filed with the Bankruptcy Court six separate Evidences of Transfer of Claim in connection with each of the six Claims. The total proceeds received by the Partnership from the sale of claims to Deutsche Bank were dependent on the actual claim amount allowed by the Bankruptcy Court—we may have been required to refund a portion of the purchase price (up to a maximum of $9 million) or may have received an additional payment from Deutsche Bank. On December 18, 2013, we entered into a Settlement Notice and Refund Modification with Deutsche Bank pursuant to which, among other things, we agreed that if the Claims are allowed in an aggregate amount less than $43.25 million, the maximum aggregate amount that we are obligated to refund to Deutsche Bank is $0.6 million.

On January 6, 2014, OSG and certain of its affiliates filed a motion (the "Settlement Motion") with the Bankruptcy Court seeking approval of a settlement (the "Settlement") with Deutsche Bank in connection with the Claims. Among other things, the Settlement provides that the Claims will be allowed as general unsecured non-priority claims in the aggregate reduced amount of $43 million. The Bankruptcy Court approved the Settlement Motion on February 3, 2014. Pursuant to the terms of the Assignment Agreements, because the Claims are allowed in an aggregate amount of $43 million, we are obligated to refund $0.6 million Deutsche Bank.

Issuance and Sale of Common Units

On August 5, 2013, we announced the issuance of 11,900,000 common units at a public offering price of $9.25 per common unit under our 2011 Form F-3. An additional 1,785,000 common units were subsequently sold on the same terms following the full exercise of the over-allotment option granted to the underwriters. Capital GP L.L.C., our general partner, participated in both the offering and the exercise of the over-allotment option and purchased 279,286 units at the public offering price. Subsequent to the completion of the equity issuance, our general partner converted 349,700 common units into general partner units to maintain its 2% interest in us. Net

proceeds, before expenses, relating to the offering were approximately $120.7 million. The net proceeds from the offering, together with $75.0 million from our 2013 credit facility and part of our cash balances, were used to acquire three 5,023 TEU container vessels, the M/V CCNI Angol (ex Hyundai Prestige), the M/V Hyundai Privilege and the M/V Hyundai Platinum, from our sponsor Capital Maritime for an aggregate purchase price of $195.0 million. Each of these vessels was built in 2013 at Hyundai Heavy Industries. Co. Ltd. and each such vessel is employed under a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day. The charters commenced shortly after the delivery of the vessels to Capital Maritime during the first half of 2013.

Other Developments

On July 22, 2013, we held our annual general meeting of unitholders, at which time both Keith Forman and Evangelos Bairactaris were reelected to act as Class III Directors until our 2016 annual general meeting. No other actions were taken at the meeting.

In July, August, October and December 2013, certain holders of our Class B Units converted 5,733,333 Class B Units into common units in accordance with the terms of the partnership agreement.

On September 6, 2013, and as amended on December 27, 2013, we entered into the 2013 credit facility. The 2013 credit facility is non-amortizing until March 2016, with a final maturity date in December 2020, and is priced at LIBOR plus 3.50% and a commitment fee of 1.00%. The facility will be available for the funding of up to 50% of the charter free value of modern product tankers and post-panamax container vessels.

On November 5, 2013, we sold the M/T Agamemnon II (51,238 dwt IMO II/III Chemical Product Tanker built 2008, STX Shipbuilding & Offshore, S. Korea) to unaffiliated third parties.

On November 28, 2013, we acquired an eco-type MR product tanker to be renamed M/T Aristotelis (51,604 dwt IMO II/III Chemical Product Tanker built 2013, Hyundai Mipo Dockyard Ltd, S. Korea). The acquisition of M/T Aristotelis was funded with proceeds from the sale of M/T Agamemnon II and approximately $6.3 million from our cash balances.

Our fleet consists of 30 high specification vessels. We currently have no capital commitments to purchase or build additional vessels. We intend to continue to evaluate potential acquisitions of vessels or businesses and to take advantage of our relationship with Capital Maritime in a prudent manner that is accretive to our unitholders and to long-term distribution growth.

Please see “Item 4B: Business Overview—Our Fleet” below for more information regarding our vessels, their charters, charter rates and expirations, operating expenses and other information, “Item 5A: Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—Accounting for Acquisition and Disposal of Vessels and Merger with Crude Carriers” and “Item 5B: Liquidity and Capital Resources—Net Cash Provided by/(Used in) Investing Activities” for more information regarding any acquisitions and “Item 7B: Related-Party Transactions” for a description of the terms of certain transactions.

B. Business Overview

We are an international owner of modern tanker, container and drybulk vessels. Our fleet of 30 modern high specification vessels 2.1 million dwt) with an average age of approximately 5.8 years as of December 31, 2013, consists of four Suezmax crude oil tankers, 18 modern MR tankers all of which are classed as IMO II/III vessels, seven post-panamax container carrier vessels and one Capesize bulk carrier. Our vessels are capable of carrying a wide range of cargoes, including crude oil, refined oil products, such as gasoline, diesel, fuel oil and jet fuel, edible oils and certain chemicals such as ethanol, as well as dry cargo and containerized goods. As of December 31, 2013, all our vessels were chartered under medium- to long-term time and bareboat charters (with an average remaining term of approximately 8.8 years) to large charterers such as BP Shipping Limited, HMM, Capital Maritime, Cosco, Maersk Line, Bluemarine Cargo, S.A. de C.V. (“Bluemarine Cargo”), Subtec S.A. de C.V. (“Subtec”) and subsidiaries of OSG. All our time and bareboat charters provide for the receipt of a fixed base rate for the life of the charter, and in the case of 12 of our 17 time charters, also provide for profit sharing arrangements in excess of the

base rate. Please see "Item 4B: Business Overview—Our Charters—Profit Sharing Arrangements" below for a detailed description of how profit sharing is calculated. As of December 31, 2013, the Marinakis family, including Evangelos M. Marinakis, our chairman, may be deemed to beneficially own a 27.3% interest in us through its beneficial ownership, amongst others, of Capital Maritime, and of Crude Carriers Investments.

Business Strategies

Our primary business objective is to pay a sustainable quarterly distribution on our common units and Class B Units and to increase our distributions on our common units over time by executing the following business strategies:

- ***Maintain medium- to long-term fixed charters***. We believe that the medium- to long-term, fixed-rate nature of our charters, our profit sharing arrangements, and our cost-efficient ship management operations under our agreements with Capital Ship Management provide visibility of revenues and cash flows in the medium- to long-term. As of December 31, 2013, all our vessels were chartered under medium- to long-term time and bareboat charters with an average remaining term of approximately 8.8 years. As our vessels come up for rechartering we will seek to redeploy them under period contracts that reflect our expectations of the market conditions prevailing at the time. We believe that the young age and diversified profile of our fleet, the high specifications of our vessels and our manager's ability to meet the rigorous vetting requirements of some of the world's most selective major international oil companies and major charterers position us well to recharter our vessels.

- ***Expand our fleet through accretive acquisitions.*** Our fleet consists of 30 vessels, compared to eight vessels at the time of our IPO in 2007. We intend to continue to evaluate potential acquisitions of both newbuildings and second-hand vessels from Capital Maritime and unaffiliated third parties and to take advantage of our unique relationship with Capital Maritime to make strategic acquisitions in the medium- to long-term in a prudent manner that is accretive to our unitholders and to long-term distribution growth. We have approximately $150 million available under a new credit facility that may be used for further vessel acquisitions. Please refer to "Item 5B: Liquidity and Capital Resources—Borrowings—Our Credit Facilities" for more information. In addition, we may pursue opportunities for acquisitions of, or combinations with, other shipping businesses.

- ***Capitalize on our relationship with Capital Maritime and expand our relationships with our existing and new charterers***. We believe that we can leverage our relationship with Capital Maritime and its ability to meet the rigorous vetting and selection processes of leading oil companies, as well as those of other charterers in the tanker, drybulk and container sectors, in order to attract new customers for the 30 vessels in our fleet. We may increase the number of vessels we charter to our existing charterers, including Capital Maritime, in order to expand our relationship with them and satisfy their diverse trading requirements. In addition, we plan to enter into charter agreements with new customers in order to maintain a portfolio of charters that is diverse from a customer, geography and maturity perspective.

- ***Maintain and build on our ability to meet rigorous industry and regulatory safety standards.*** We believe that in order for us to be successful in growing our business in the future, we will need to maintain our excellent vessel safety record and maintain and build on our high level of customer service and support. Capital Ship Management has an excellent vessel safety record, is capable of complying with rigorous health, safety and environmental protection standards, and is committed to providing our customers with a high level of customer service and support.

Competitive Strengths

We believe that we are well-positioned to execute our business strategies and our future prospects for success are enhanced because of the following competitive strengths:

- ***Well-established relationships with our counterparties and with Capital Maritime.*** We believe our strong relationships with our counterparties, many of which have chartered vessels since our IPO, and

with Capital Maritime and its affiliates, provide numerous benefits which are essential to our long-term growth and success. Capital Maritime has a well-established reputation and safety and environmental track record within the shipping industry, a substantial newbuilding orderbook and strong relationships with many of the world's leading oil companies, commodity traders, container operators and shipping companies. We also benefit from Capital Maritime's expertise in technical fleet management and its ability to meet the rigorous vetting requirements of some of the world's most selective major international oil companies and other charterers in the drybulk and container sectors.

- ***Diversified fleet with long-term charters.*** We benefit from the diverse trading requirements of our charterers, as well as the diversity of our fleet, which allow us to expand our chartering relationships and enter into agreements with additional counterparties, including in the drybulk and container markets. We further enjoy a long remaining duration on our charters, as a number of our vessels are chartered under long-term contracts, providing cash flow visibility into the future. Our average remaining charter duration stood at 8.8 years, as of December 31, 2013.

- ***Modern, high specification product tanker fleet.*** The 18 medium range tankers that form part of our fleet of 30 modern high specification vessels are all classed as IMO II/III vessels, which, in addition to the Ice Class 1A classification notation of many of our vessels, the wide range in size and geographic flexibility of our fleet and compliance with existing regulatory standards, are attractive to our charterers, providing them with a high degree of flexibility in the types of cargoes and variety in the trade routes they may choose as they employ our fleet. In addition, we believe that these characteristics of our fleet position us well to take advantage of the positive demand fundamentals in the product tanker business as our vessels become available for rechartering.

- ***Financial strength and flexibility.*** We believe we enjoy a strong balance sheet and that our financial strength positions us to grow our business in the future, as well as to be a strong counterparty to our charterers as they seek financially sound counterparties with which to enter into long-term contracts. We believe that our equity raisings of approximately $195.8 million completed in 2013 and the terms of our credit facilities enhance our financial flexibility to pay attractive distributions and to realize potential new vessel acquisitions from Capital Maritime and third parties. In addition, the new senior secured credit facility we entered into in 2013 will further facilitate our growth ahead. Please refer to "Item 5B: Liquidity and Capital Resources —Borrowings—Our Credit Facilities" for more information regarding the 2013 credit facility.

Our Customers

We provide marine transportation services under medium to long-term time charters or bareboat charters with counterparties that we believe are creditworthy:

- ***BP Shipping Limited***, the shipping affiliate of BP, one of the world's largest producers of crude oil and natural gas. BP has exploration and production interests in over 20 countries. BP Shipping Limited provides all logistics for the marketing of BP's oil and gas cargoes.
- ***Overseas Shipholding Group Inc.***, one of the largest independent shipping companies in the world operating crude and product tankers with a fleet of over 100 owned and operated vessels.
- ***Bluemarine Cargo S.A. de C.V.***, is a Mexican company specializing in the supply and operation of vessels for the offshore oil and gas industry.
- ***Capital Maritime & Trading Corp.***, an established shipping company with activities in the sea transportation of wet (crude oil, oil products, chemicals), container and dry cargoes worldwide with a long history of operating and investing in the shipping markets.
- ***SUBTEC S.A. de C.V.***, is a Mexican company specializing in the supply and operation of vessels for the offshore oil and gas industry.
- ***Cosco Bulk Carrier Co. Ltd.,*** is an affiliate of the COSCO Group which is one of the largest drybulk charterers globally. The COSCO Group, listed on the Hong Kong Stock Exchange is believed to be China's largest group specializing in global shipping, modern logistics and ship building and repairing. COSCO Group currently owns and controls over 800 modern merchant vessels with a total tonnage of 56 million dwt and an annual carrying capacity of 400 million tons.

- ***Maersk Line,*** is the global containerized division of A.P.Møller-Mærsk – Maersk Group, which is presently the world's largest liner company with a fleet of more than 600 owned and operated vessels.
- ***Hyundai Merchant Marine Co. Ltd.,*** is an integrated logistics company, operating around 160 state-of-the-art vessels. HMM boasts worldwide global service networks, diverse logistics facilities, leading IT shipping related systems, a professional highly trained staff and a continual effort to provide premiere transportation services.

For the year ended December 31, 2013, Capital Maritime, BP Shipping Limited, Maersk Line and HMM accounted for 32%, 17%, 14% and 13% of our revenues, respectively. For the year ended December 31, 2012, Capital Maritime and BP Shipping Limited accounted for 45% and 23% of our revenues, respectively. For the year ended December 31, 2011, Capital Maritime, BP Shipping Limited and subsidiaries of OSG accounted for 24%, 32% and 11% of our revenues, respectively.

The loss of any significant customer or a substantial decline in the amount of services requested by a significant customer could harm our business, financial condition and results of operations.

Our Management Agreements

We have entered into three separate technical and commercial management agreements with Capital Ship Management, a subsidiary of Capital Maritime, for the management of our fleet. Each vessel in our fleet is managed under the terms of one of the following three agreements:

- Fixed fee management agreement: At the time of our IPO we entered into an agreement with our manager, according to which our manager provides us with certain commercial and technical management services for a fixed daily fee per managed vessel which covers the commercial and technical management services, the respective vessel's operating costs such as crewing, repairs and maintenance, insurance, stores, spares, and lubricants as well as the cost of the first special survey or next scheduled drydocking, of each vessel. In addition to the fixed daily fees payable under the management agreement, Capital Ship Management is entitled to supplementary compensation for Extraordinary Fees and Costs (as defined in the agreement) of any additional direct and indirect expenses it reasonably incurs in providing these services, which may vary from time to time. We also pay a fixed daily fee per bareboat chartered vessel in our fleet, mainly to cover compliance and commercial costs, which include those costs incurred by our manager to remain in compliance with the oil majors' requirements, including vetting requirements.

- Floating fee management agreement: In June 2011, we entered into an agreement with our manager based on actual expenses with an initial term of five years per managed vessel. Under the terms of this agreement we compensate our manager for expenses and liabilities incurred on our behalf while providing the agreed services to us, including, but not limited to, crew, repairs and maintenance, insurance, stores, spares, lubricants and other operating costs. Costs and expenses associated with a managed vessel's next scheduled drydocking are borne by us and not by our manager. We also pay our manager a daily technical management fee per managed vessel that is revised annually based on the United States Consumer Price Index.

- Crude Carriers management agreement: In September 2011, we completed our merger with Crude Carriers. The five crude tanker vessels we acquired as part of the merger continue to be managed under a management agreement entered into in March 2010, as amended, with Capital Ship Management whose initial term expires on December 31, 2020. Under the terms of this agreement we compensate our manager for all of its expenses and liabilities incurred on our behalf while providing the agreed services to us, including, but not limited to, crew, repairs and maintenance, insurance, stores, spares, lubricants and other operating and administrative costs. We also pay our manager the following fees: (a) a daily technical management fee per managed vessel that is revised annually based on the United States Consumer Price Index; (b) a sale & purchase fee equal to 1% of the gross purchase or sale price

upon the consummation of any purchase or sale of a vessel acquired by Crude Carriers and (c) a commercial services fee equal to 1.25% of all gross charter revenues generated by each vessel for commercial services rendered. The manager has the right to terminate the Crude Carriers management agreement and, under certain circumstances, could receive substantial sums in connection with such termination; however, even if our board of directors or our unitholders are dissatisfied with the manager, there are limited circumstances under which we can terminate this management agreement. This termination fee was initially set at $9.0 million in March 2010 and increases on each one-year anniversary during which the management agreement remains in effect (on a compounding basis) in accordance with the total percentage increase, if any, in the Consumer Price Index over the immediately preceding 12 months. As of March 2013, this termination fee had been adjusted to $9.7 million.

We expect that as the fixed fee management agreement expires for certain of our vessels, such vessels, and any additional acquisitions we make in the future, shall be managed under the floating fee management agreement. Under the terms of all three agreements, Capital Ship Management may provide these services to us directly or it may subcontract for certain of these services with other entities, including other Capital Maritime subsidiaries.

The table below sets out, as of December 31, 2013 the management agreement under which each vessel in our fleet is managed.

Vessel Name	Fixed fee management agreement	Floating fee management agreement	Crude management agreement
M/T Atlantas (M/T British Ensign)	X	-	-
M/T Assos (M/T Insurgentes)	X	-	-
M/T Aktoras (M/T British Envoy)	X	-	-
M/T Agisilaos	until Dec 4, 2011	as of Dec 5, 2011	-
M/T Arionas	until Aug 3, 2011	as of Aug 4, 2011	-
M/T Avax	until Apr 17, 2012	as of Apr 18, 2012	-
M/T Aiolos (M/T British Emissary)	X	-	-
M/T Axios	until Jun 12, 2012	as of Jun 13, 2012	-
M/T Atrotos (M/T El Pipila)	X	-	-
M/T Akeraios	until Aug 25, 2012	as of Aug 26, 2012	-
M/T Apostolos	until Sept 14, 2012	as of Sep 15, 2012	-
M/T Anemos I	until Dec 23, 2012	as of Dec 24, 2012	-
M/T Alexandros II (M/T Overseas Serifos)	until Jan 21, 2013 & since May 9, 2013	from Jan 22, 2013 up to May 8, 2013	-
M/T Amore Mio II	X	-	-
M/T Aristotelis II (M/T Overseas Sifnos)	X	-	-
M/T Aris II (M/T Overseas Kimolos)	X	-	-
M/T Agamemnon II (sold on November 5, 2013)	until Nov 5, 2013	-	-
M/T Ayrton II	X	-	-
M/T Alkiviadis	X	-	-
M/V Cape Agamemnon	-	as of Jun 10, 2011	-
M/T Miltiadis M II	-	-	as of Sep 30, 2011
M/T Amoureux	-	-	as of Sep 30, 2011
M/T Aias	-	-	as of Sep 30, 2011
M/V Agamemnon	-	as of Dec 22, 2012	-
M/V Archimidis	-	as of Dec 22, 2012	-
M/V Hyundai Prestige renamed to M/V CCNI Angol	-	as of Sep 11, 2013	-

Vessel Name	Fixed fee management agreement	Floating fee management agreement	Crude management agreement
M/V Hyundai Premium	-	as of March 20, 2013	-
M/V Hyundai Paramount	-	as of March 27, 2013	-
M/V Hyundai Privilege	-	as of Sep 11, 2013	-
M/V Hyundai Platinum	-	as of Sep 11, 2013	-
M/T Aristotelis	-	as of Nov 28, 2013	-

Our Fleet

At the time of our IPO on April 3, 2007, our fleet consisted of eight vessels. Since that date, the size of our fleet has greatly increased in terms of both number of vessels and carrying capacity and currently consists of 30 vessels of various sizes with an average age of approximately 5.8 years and average remaining term under our charters of approximately 8.8 years (as of December 31, 2013).

We intend to continue to take advantage of our unique relationship with Capital Maritime and, subject to prevailing shipping, charter and financial market conditions and the approval of our board of directors, make strategic acquisitions in the medium to long term in a prudent manner that is accretive to our unitholders and to long-term distribution growth. In addition, we may pursue opportunities for acquisitions of, or combinations with, other shipping businesses. Pursuant to the amended and restated omnibus agreement we have entered into with Capital Maritime pursuant to our merger with Crude Carriers, Capital Maritime has granted us a right of first offer for any product tanker in its fleet with carrying capacity over 30,000 dwt under time or bareboat charter with a remaining duration of at least twelve months. Capital Maritime is, however, under no obligation to fix any of these vessels under charters of longer than twelve months. Please read “Item 7B: Related-Party Transactions” for a detailed description of our amended and restated omnibus agreement with Capital Maritime.

The table below provides summary information as of December 31, 2013 about the vessels in our fleet, as well as their delivery date or expected delivery date to us and their employment, including earliest possible redelivery dates of the vessels and relevant charter rates. The table also includes the daily management fee and approximate expected termination date of the respective management agreement with Capital Ship Management with respect to each vessel. Sister vessels, which are vessels of similar specifications and size typically built at the same shipyard, are denoted by the same letter in the table. We believe that sister vessels provide a number of efficiency advantages in the management of our fleet.

All of the vessels in our fleet are or were designed, constructed, inspected and tested in accordance with the rules and regulations of Det Norske Veritas (“DNV”), Lloyd’s Register of Shipping (“Lloyd’s”), Bureau Veritas (“BV”) or the American Bureau of Shipping (“ABS”) and were under time or bareboat charters from the time of their delivery.

VESSELS IN OUR FLEET AS OF DECEMBER 31, 2013

Vessel name	Sister Vessels[1]	Year built	DWT	OPEX (per day)[2]	Management Agreement Expiration	Charter Duration/ Type[3]	Expiry of Charter[4]	Daily Charter Rate (Net)	Profit Share[5]	Charterer[6]	Description
PRODUCT TANKERS											
Atlantas[7]	A	2006	36,760	$500	Mar 2016	8-yr BC	Mar 2014	$13,433		BP	Ice Class 1A IMO II/III Chemical/ Product
Aktoras[7]	A	2006	36,759	$500	Mar 2016	8-yr BC	Jun 2014	$13,433		BP	
Aiolos[7]	A	2007	36,725	$500	Jan 2017	8-yr BC	Feb 2015	$13,433		BP	
Agisilaos	A	2006	36,760	Floating	Dec 2016	1-yr TC	Aug 2014	$14,072	ü	CMTC	
Arionas	A	2006	36,725	Floating	Aug 2016	1-yr TC	Oct 2014	$14,072	ü	CMTC	
Axios	B	2007	47,872	Floating	Jun 2017	1-yr TC	May 2014	$14,566	ü	CMTC	
Avax[14]	B	2007	47,834	Floating	Apr 2017	1-yr TC	Sep 2014	$14,516	ü	BP	
Akeraios	B	2007	47,781	Floating	Aug 2017	1.5-yr TC	Dec 2014	$14,763	ü	CMTC	
Anemos I	B	2007	47,782	Floating	Dec 2017	1.2-yr TC	Feb 2015	$14,664	ü	CMTC	
Apostolos	B	2007	47,782	Floating	Sep 2017	1.2-yr TC	Dec 2014	$14,664	ü	CMTC	
Alexandros II[8]	C	2008	51,258	$250	Dec 2017-Mar 2018	10-yr BC	Nov 2017	$6,250		OSG	IMO II/III Chem./Prod.
Aristotelis II[8]	C	2008	51,226	$250	Mar-Jun 2018	10-yr BC	April 2018	$6,250		OSG	IMO II/III Chem./Prod.
Aris II[8]	C	2008	51,218	$250	May-Aug 2018	10-yr BC	Jun 2018	$6,250		OSG	
Ayrton II[9]	C	2009	51,260	$6,500	Mar 2014	2-yr TC	Mar 2014	$15,000	ü	BP	
Atrotos[9,10]	B	2007	47,786	$500	Mar 2014	5-yr BC	Apr 2014	$16,825		BLM	Ice Class 1A IMO II/III Chem./Prod.
Alkiviadis	A	2006	36,721	$7,000	Jun 2015	1-yr TC	Jun 2014	$14,072	ü	CMTC	
Assos [9,10]	B	2006	47,872	$500	Mar 2014	5-yr BC	Apr 2014	$16,825		BLM	
CRUDE TANKERS											
Amoureux	D	2008	149,993	Crude	Dec 2020	1-yr TC	Dec 2014	$23,700[11]	ü	CMTC	Suezmax
Aias	D	2008	150,393	Crude	Dec 2020	1-yr TC	Nov 2014	$23,700[11]	ü	CMTC	
Amore Mio II	E	2001	159,982	$8,500	Feb 2014	1-yr TC	Nov 2014	$16,788		CMTC	
Miltiadis M II[12]	F	2006	162,397	Crude	Dec 2020	2-yr TC	Sep 2014	$22,895		SUBT	Ice Class 1A Suezmax
DRYBULK VESSEL											
Cape Agamemnon	G	2010	179,221	Floating	Jun 2016	10-yr TC	Jun 2020	$40,090		COSCO	
CONTAINER CARRIER VESSELS											
Archimidis[13]	H	2006	103,773	Floating	Dec 2017	3-yr TC	Oct 2015	$33,150		MAERSK	Post-Panamax
Agamemnon[13]	H	2007	103,773	Floating	Dec 2017	3.2-yr TC	July 2015	$33,150		MAERSK	
Hyundai Prestige (CCNI Angol)	I	2013	63,010	Floating	Aug-Sep 2018	12-yr TC	Dec 2024	$28,616		HMM	
Hyundai Premium	I	2013	63,010	Floating	Mar-April 2018	12-yr TC	Jan 2025	$28,616		HMM	
Hyundai Paramount	I	2013	63,010	Floating	Mar-April 2018	12-yr TC	Feb 2025	$28,616		HMM	
Hyundai Privilege	I	2013	63,010	Floating	Aug-Sep 2018	12-yr TC	Mar 2025	$28,616		HMM	
Hyundai Platinum	I	2013	63,010	Floating	Aug-Sep 2018	12-yr TC	Apr 2025	$28,616		HMM	
Aristotelis	B	2013	51,604	Floating	Nov 2018	1.5-yr TC	Jun 2015	$16,787	ü	CMTC	IMO II/III Chem./Prod.
TOTAL FLEET DWT:			**2,136,307**								

1 Sister vessels are denoted in the tables by the same letter as follows: (A), (B): these vessels were built by Hyundai MIPO Dockyard Co., Ltd., South Korea, (C): these vessels were built by STX Shipbuilding Co., Ltd., South Korea, (D): these vessels were built by Universal Shipbuilding Corp., Ariake, Japan (E),(F), (H): these vessels were built by Daewoo Shipbuilding and Marine Engineering Co., Ltd., South Korea. (G) this vessel was built by Sungdong Shipbuilding & Marine Engineering Co., Ltd., South Korea. (I): these vessels were built by Hyundai Heavy Industries Co. Ltd, South Korea.

2 Floating: These vessels are managed under the floating fee management agreement entered into with our manager. Crude: These vessels managed under the Crude management agreement entered into between Crude and our manager. The remaining vessels are managed under the fixed fee management agreement entered into with our manager. For additional details regarding our management agreements please see “Item 4B: Business Overview—Our Management Agreements” above.

3 TC: Time Charter, BC: Bareboat Charter

4 Earliest possible redelivery date. For product tankers the redelivery date is +/-30 days at the charterer’s option. For crude tankers under charter with Maersk Line, the expiry of the charter assumes the exercise by Maersk Line of its option to extend the charter (+/- 30 days) at revised rates (See Footnote 13 below for additional information).

5 Product Tankers: 50/50 profit share element for all vessels applies only to voyages that breach Institute Warranty Limits (“IWL”). The amounts received under these profit-sharing arrangements are subject to the same commissions payable on the gross charter rates, if any. Crude Tankers 50/50 profit share on actual earnings settled every 6 months for the first 12 months of the TC.

6 BP: BP Shipping Limited, or, in the case of the M/T Amore Mio II, BP Singapore Pte Ltd. OSG: certain subsidiaries of OSG. CMTC: Capital Maritime & Trading Corp. (our Sponsor). BLM: Blue Marine Cargo S.A. de C.V. ex Arrendadora Ocean Mexicana, S.A. de C.V. SUBT: Subtec S.A. de C.V. COSCO: Cosco Bulk Carrier Co. Ltd., an affiliate of the COSCO Group. MAERSK: A.P. Moller-Maersk A.S. HMM: Hyundai Merchant Marine Co. Ltd.

7 For the duration of the BC these vessels have been renamed British Ensign, British Envoy and British Emissary, respectively.
The M/T British Ensign will continue its bareboat charter with BP Shipping after the completion of its current charter for an additional 24 months at a bareboat rate of $6,750 per day. BP Shipping has the option to extend the duration of the charter for up to a further 12 months either as bareboat charter at a bareboat rate of $7,250 per day for the optional periods if declared or on time charter basis during the optional periods at a time charter rate of $14,250 per day, if declared.

The M/T British Envoy will continue its bareboat charter with BP Shipping after the completion of the current charter for an additional 18 months at a bareboat rate of $7,000 per day. BP Shipping has the option to extend the charter duration for up to a further 12 months either as a bareboat charter at a bareboat rate $7,250 per day for the optional periods, if declared or as a time charter at a time charter rate of $14,250 per day, if declared.

The M/T British Emissary will continue its bareboat charter with BP Shipping after the completion of its current charter for an additional 24 months at a bareboat rate of $7,000 per day. BP Shipping has the option to extend the duration of the charter for up to a further 12 months either as bareboat charter at a bareboat rate of $7,250 per day for the optional periods if declared or on a time charter basis during all optional periods at a time charter rate of $14,250 per day if declared.

8 For the duration of the BC these vessels have been renamed: Overseas Serifos, Overseas Sifnos and Overseas Kimolos. OSG has an option to purchase each vessel at the end of the eighth, ninth or tenth year of its charter for $38.0 million, $35.5 million and $33.0 million, respectively, which option is exercisable six months before the date of completion of the relevant year of the charter. The expiration date above may therefore change depending on whether the charterer exercises its purchase option.

9 The Agamemnon II and the M/T Ayrton II were acquired in exchange for the M/T Assos (which was part of our fleet at the time of the IPO) and the M/T Atrotos (which was acquired from Capital Maritime in May 2007) on April 7 and April 13, 2009, respectively. We subsequently reacquired the M/T Atrotos and the M/T Assos from Capital Maritime in February and August 2010, respectively. Capital Maritime had granted us an offer to acquire all four vessels under the terms of the omnibus agreement.

10 For the duration of the BC these vessels have been renamed M/T El Pipila and M/T Insurgentes. BLM has subsequently chartered these vessels to the state-owned Mexican petroleum company Petroleos Mexicanos (“Pemex”).

11 The vessel owning companies of the M/T Amoureux and the M/T Aias have entered into a one year time charter with Capital Maritime at a net rate of $23,700 per day for each vessel, with profit share on actual earnings settled every six months. The charters were commenced in January 2014 and December 2013, respectively.

12 SUBT has subsequently delivered this vessel to PEMEX.

13 Maersk Line has the option to extend the charter for an additional four years at a net day rate of $30,712 and $29,737 per day, respectively, for the fourth and fifth year and $31,200 per day for the final two years. If all options were to be exercised, the employment of the vessels would extend to December 2019 for the M/V Archimidis and July 2019 for the M/V Agamemnon.

14 The vessel’s actual net earnings under the BP Shipping charter is $14,566 per day until May 2014 and $14,615 per day between May and October 2014, as the new daily charter rate includes compensation that Capital Maritime will pay to the Partnership for the vessel’s early redelivery in accordance with the terms of the charter party agreement with Capital Maritime. BP Shipping has the option to extend the charter for one year at a net daily rate of $15,405.

Comparison of Possible Excess of Carrying Value Over Estimated Charter-Free Market Value of Certain Vessels

In “Critical Accounting Policies —Vessel Lives and Impairment” in Item 5 below, we discuss our policy for impairing the carrying values of our vessels. During the past few years, the market values of vessels have experienced particular volatility, with substantial declines in many vessel classes. As a result, the charter-free market value, or basic market value, of certain of our vessels may have declined below those vessels’ carrying value, even though we would not impair those vessels’ carrying value under our accounting impairment policy, due to our belief that future undiscounted cash flows expected to be earned by such vessels over their operating lives would exceed such vessels’ carrying amounts.

The table set forth below indicates (i) the carrying value of each of our vessels as of December 31, 2013; (ii) which of our vessels we believe has a basic market value below its carrying value and (iii) the aggregate difference between carrying value and market value represented by such vessels. This aggregate difference represents the approximate analysis of the amount by which we believe we would have to reduce our net income if we sold all of such vessels in the current environment, on industry standard terms, in cash transactions, and to a willing buyer where we are not under any compulsion to sell, and where the buyer is not under any compulsion to buy. For purposes of this calculation, we have assumed that the vessels would be sold at a price that reflects our estimate of their current basic market values.

Our estimates of basic market value assume that our vessels are all in good and seaworthy condition without need for repair and, if inspected, would be certified in class without notations of any kind. Our estimates are based on the average of two estimated market values for our vessels received from third party independent shipbrokers approved by our banks. In addition, vessel values are highly volatile; as such, our estimates may not be indicative of the current or future basic market value of our vessels or prices that we could achieve if we were to sell them.

Vessels	Date acquired by us	Carrying value as at December 31, 2013 (in millions of United States dollars)	Carrying value as at December 31, 2012 (in millions of United States dollars)
M/T Atlantas	04/04/2007	$23.1	$24.3*
M/T Assos	04/04/2007 & 08/16/2010	$29.2*	$30.8*
M/T Aktoras	04/04/2007	$23.4	$24.7*
M/T Agisilaos	04/04/2007	$24.0	$25.3*
M/T Arionas	04/04/2007	$24.2	$25.5*
M/T Avax	04/04/2007	$27.1	$28.5*
M/T Aiolos	04/04/2007	$24.2	$25.5*
M/T Axios	04/04/2007	$27.4	$28.9*
M/T Atrotos	05/08/2007 & 03/01/2010	$28.0	$29.4*
M/T Akeraios	07/13/2007	$28.0	$29.4*
M/T Apostolos	09/20/2007	$31.2*	$32.7*
M/T Anemos I	09/28/2007	$31.1*	$32.7*
M/T Alexandros II	01/29/2008	$36.3*	$38.1*
M/T Amore Mio II	03/27/2008	$60.0*	$64.5*
M/T Aristotelis II	06/17/2008	$36.8*	$38.6*
M/T Aris II	08/20/2008	$37.0*	$38.8*
M/T Agamemnon II	04/07/2009	-	$40.5*
M/T Ayrton II	04/13/2009	$38.3*	$40.1*
M/T Alkiviadis	06/30/2010	$25.8*	$27.2*
M/V Cape Agamemnon	06/09/2011	$46.5	$48.5*
M/T Miltiadis M II	09/30/2011	$47.7*	$50.2*
M/T Amoureux	09/30/2011	$49.0*	$51.3*
M/T Aias	09/30/2011	$49.0*	$51.3*
M/V Archimidis[2]	12/22/2012	$61.7	$64.9
M/V Agamemnon[2]	12/22/2012	$64.7	$67.9
M/V Hyundai Prestige renamed to M/V CCNI Angol	09/11/2013	$53.4*	-
M/V Hyundai Premium	03/20/2013	$52.4	-
M/V Hyundai Paramount	03/27/2013	$52.5	-
M/V Hyundai Privilege	09/11/2013	$53.4*	-
M/V Hyundai Platinum	09/11/2013	$53.4*	-
M/T Aristotelis	11/28/2013	$38.0	-
Total		**$1,176.8**	**$959.6**

*Indicates vessels, for which we believe, as of December 31, 2013 and 2012, the basic charter-free market value is lower than the vessel's carrying value as of December 31, 2013 and 2012. We believe that the aggregate carrying value of these vessels, assessed separately, exceeds their aggregate basic charter-free market value by approximately $77.5 and $173.5 million as of December 31, 2013 and 2012, respectively. This decrease of $96.0 million in 2013 as compared to 2012 is due to the increase of asset values in bulk carriers and tankers as a consequence of an improvement in the expectations of future shipping market prospects. As discussed in "Critical Accounting Policies—Vessel lives and impairment" below, we believe that the carrying values of our vessels as of December 31, 2013 and 2012 were recoverable as the undiscounted projected net operating cash flows of these vessels exceeded their carrying value by a significant amount.

Our Charters

As of December 31, 2013, all the vessels in our fleet were under medium to long-term time or bareboat charters with an average remaining term under our charters of approximately 8.8 years. Under certain circumstances,

we may operate our vessels in the spot market until they are fixed under appropriate medium to long-term charters. As our vessels come up for rechartering, depending on the prevailing market rates, we may not be able to recharter them at levels similar to their current charters which may affect our future cash flows from operations. Please read "Item 4B: Business Overview—Our Fleet" above, including the chart and accompanying notes, for more information on our time and bareboat charters, including counterparties, expected expiration dates of the charters and daily charter rates.

Time Charters

A time charter is a contract for the use of a vessel for a fixed period of time at a specified daily rate. Under a time charter, the vessel's owner provides crewing and other services related to the vessel's operation, the cost of which is included in the daily rate and the charterer is responsible for substantially all vessel voyage costs except for commissions which are assumed by the owner. The basic hire rate payable under the charters is a previously agreed daily rate, as specified in the charter, payable at the beginning of the month in U.S. Dollars. We currently have 22 vessels under time charter agreements of which 12 contain profit-sharing provisions that allow us to realize at a predetermined percentage additional revenues when spot rates or actual charter rates are higher than the base rates incorporated in our charters or, in some instances, through greater utilization of our vessels by our charterers.

Profit Sharing Arrangements

The profit sharing arrangements for our product tanker vessels under time charter with BP Shipping Limited and Capital Maritime are based on the calculation of the time charter equivalent ("TCE") according to the "last to next" principle and are only applicable to voyages during which Institute Warranty Limits ("IWL") have been breached. In such event, we receive the basic net hire rate plus 50% of the excess over the gross hire rate. This means that actual voyage revenues earned and received, actual expenses incurred and actual time taken to perform the voyage are used for the purpose of the calculation. The charterer is obliged to provide us with a copy of each fixture note and all reasonable documentation with respect to items of cost and earnings referring to each voyage during which IWL have been breached. If the average daily TCE is less than or equal to the basic gross hire rate, then we receive the basic net hire rate only. If the average daily TCE for any voyage where IWL have been breached exceeds the basic gross hire rate, then we receive the basic net hire rate plus 50% of the excess over the gross hire rate. The profit share with both Capital Maritime and BP Shipping Limited, if any, is calculated and settled the next calendar month following the completion of the voyage.

The profit sharing arrangements for our two crude tanker vessels under time charter with Capital Maritime are based on the calculation of the vessels' actual earnings and are settled every 6 months. In the event actual TCE over that period is higher than the agreed daily charter rate of the vessel, we receive the basic net hire rate plus 50% of the excess over the gross daily charter rate. This means that actual voyage revenues earned and received, actual expenses incurred and actual time taken to perform the voyages during that period are used for the purpose of the calculation. The charterer is obliged to provide us with a copy of each fixture note and all reasonable documentation with respect to items of cost and earnings.

The amounts received under these profit-sharing arrangements are subject to the same commissions payable on the gross charter rates. Please read "Item 4B: Business Overview—Our Fleet" above, including the chart and accompanying notes, for additional information.

TCE rate is a shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charter hire rates for vessels on voyage charters are generally not expressed in per day amounts while charter hire rates for vessels on time charters generally are expressed in such amounts. TCE is expressed as per ship per day rate and is calculated as voyage and time charter revenues less voyage expenses during a period divided by the number of operating days during the period, which is consistent with industry standards.

Bareboat Charters

A bareboat charter is a contract pursuant to which the vessel owner provides the vessel to the customer for a fixed period of time at a specified daily rate, and the customer provides for all of the vessel's expenses (including any commissions) and generally assumes all risk of operation. In the case of the vessels under bareboat charter to BP Shipping Limited, we are responsible for the payment of any commissions. The customer undertakes to maintain the vessel in a good state of repair and efficient operating condition and drydock the vessel during this period at its cost and as per the classification society requirements. The basic rate hire is payable to us monthly in advance in U.S. Dollars.

As of December 31, 2013 we had eight vessels under bareboat charter, three with BP Shipping Limited, three with subsidiaries of OSG and two with Bluemarine Cargo. The charters entered into with subsidiaries of OSG are fully and unconditionally guaranteed by OSG and include options for the charterer to purchase each vessel for $38.0 million, $35.5 million or $33.0 million at the end of the eighth, ninth or tenth year of the charter, respectively. In each case, the option to purchase the vessel must be exercised six months prior to the end of the charter year.

Spot Charters

A spot charter generally refers to a voyage charter or a trip charter or a short term time charter.

Voyage / Trip Charter

A voyage charter involves the carriage of a specific amount and type of cargo on a load port-to-discharge port basis, subject to various cargo handling terms. Under a typical voyage charter, the shipowner is paid on the basis of moving cargo from a loading port to a discharge port. In voyage charters the shipowner generally is responsible for paying both vessel operating costs and voyage expenses, and the charterer generally is responsible for any delay at the loading or discharging ports. Under a typical trip charter or short term time charter, the shipowner is paid on the basis of moving cargo from a loading port to a discharge port at a set daily rate. The charterer is responsible for paying for bunkers and other voyage expenses, while the shipowner is responsible for paying vessel operating expenses.

Seasonality

Our vessels operate under medium- to long-term charters and are not generally subject to the effect of seasonable variations in demand.

Management of Ship Operations, Administration and Safety

Capital Maritime, through its subsidiary Capital Ship Management, provides expertise in various functions critical to our operations. This enables a safe, efficient and cost-effective operation and, pursuant to the management and administrative services agreements we have entered into with Capital Ship Management, grants us access to human resources, financial and other administrative services, including bookkeeping, audit and accounting services, administrative and clerical services, banking and financial services, client, investor relations, information technology and technical management services, including commercial management of the vessels, vessel maintenance and crewing (not required for vessels subject to bareboat charters), purchasing, insurance and shipyard supervision.

We have entered into three separate technical and commercial management agreements with Capital Ship Management for the management of our fleet: the fixed fee management agreement, the floating fee management agreement and, with respect to the vessels acquired as part of the merger with Crude Carriers, the Crude Carriers management agreement. Each vessel in our fleet is managed under the terms of one of these three agreements. The aggregate management fees paid to Capital Ship Management for the year ended December 31, 2013, were $17.0 million as compared to $23.6 million for the year ended December 31, 2012.

For a more detailed description of the three management agreements and administrative services agreements we have entered into with Capital Ship Management please read "Item 4B: Business Overview—Our

Management Agreements" above, and "Item 7B: Related-Party Transactions—Transactions entered into during the year ended December 31, 2012" and "—Transactions entered into during the year ended December 31, 2011" below.

Capital Ship Management operates under a safety management system in compliance with the IMO's ISM Code and certified by Lloyd's Register. Capital Ship Management's management systems also comply with the Quality Standard ISO 9001, the Environmental Management Standard ISO 14001, the Occupational Health & Safety Management System ("OHSAS") 18001 and the Energy Management Standard 50001, all of which are certified by Lloyd's Register of Shipping. Capital Ship Management recently implemented an "Integrated Management System Certification" approved by the Lloyd's Register Group and also adopted "Business Continuity Management" principles in cooperation with Lloyd's Register Group. Capital Ship Management, recognizing sustainable transport as one of the biggest challenges of the 21st century, has adopted and implemented main strategies for a regime of Responsible, Safe and Clean Shipping through a Corporate Social Responsible approach.

As a result, our vessels' operations are conducted in a manner intended to protect the safety and health of Capital Ship Management's employees, as applicable, the general public and the environment. Capital Ship Management's technical management team actively manages the risks inherent in our business and is committed to eliminating incidents that threaten safety, such as groundings, fires, collisions and petroleum spills, as well as reducing emissions and waste generation.

Major Oil Company Vetting Process

Shipping in general, and crude oil, refined product and chemical tankers, in particular, have been, and will remain, heavily regulated. Many international and national rules, regulations and other requirements – whether imposed by the classification societies, international statutes (IMO, SOLAS (defined below), MARPOL, etc.), national and local administrations or industry – must be complied with in order to enable a shipping company to operate and a vessel to trade.

Traditionally there have been relatively few large players in the oil trading business and the industry is continuously consolidating. The so-called "oil majors companies", such as BP, Chevron Corporation, Philips66 Inc., ExxonMobil Corporation, Royal Dutch Shell plc, Statoil ASA, and Total S.A., together with a few smaller companies, represent a significant percentage of the production, trading and, especially, shipping logistics (terminals) of crude and refined products worldwide. Concerns for the environment, health and safety have led the oil majors to develop and implement a strict due diligence process when selecting their commercial partners. This vetting process has evolved into a sophisticated and comprehensive risk assessment of both the vessel operator and the vessel.

While a plethora of parameters are considered and evaluated prior to a commercial decision, the oil majors, through their association, the Oil Companies International Marine Forum ("OCIMF"), have developed and are implementing two basic tools: (i) a Ship Inspection Report Programme ("SIRE") and (ii) the Tanker Management & Self Assessment ("TMSA") Program. The former is a physical ship inspection based upon a thorough Vessel Inspection Questionnaire ("VIQ"), and performed by accredited OCIMF inspectors, resulting in a report being logged on SIRE, while the latter is a recent addition to the risk assessment tools used by the oil majors.

Based upon commercial needs, there are three levels of risk assessment used by the oil majors: (i) terminal use, which will clear a vessel to call at one of the oil major's terminals; (ii) voyage charter, which will clear the vessel for a single voyage and (iii) term charter, which will clear the vessel for use for an extended period of time. The depth, complexity and difficulty of each of these levels of assessment vary. While for the terminal use and voyage charter relationships a ship inspection and the operator's TMSA will be sufficient for the assessment to be undertaken, a term charter relationship also requires a thorough office assessment. In addition to the commercial interest on the part of the oil major, an excellent safety and environmental protection record is necessary to ensure an office assessment is undertaken.

We believe Capital Maritime and Capital Ship Management are among a small number of ship management companies to have undergone and successfully completed audits by seven major international oil companies in the last few years (i.e., BP, Chevron Corporation, Philips66 Inc., ExxonMobil Corporation, Royal Dutch Shell plc, Statoil ASA and Total S.A.).

Crewing and Staff

Capital Ship Management, an affiliate of Capital Maritime, through a subsidiary in Romania and crewing offices in Romania, Russia and the Philippines recruits senior officers and crews for our vessels. Capital Ship Management also maintains a presence in the Philippines and Russia and has entered into an agreement for the training of officers under ice conditions at a specialized training center in St. Petersburg. Capital Maritime's vessels are currently manned primarily by Romanian, Russian and Filipino crew members. Having employed these crew configurations for Capital Maritime for a number of years, Capital Ship Management has considerable experience in operating vessels in this configuration and has a pool of certified and experienced crew members which we can access to recruit crew members for our vessels.

Classification, Inspection and Maintenance

Every oceangoing vessel must be "classed" and certified by a classification society. The classification society is responsible for verifying that the vessel has been built and maintained in accordance with the rules and regulations of the classification society and ship's country of registry, as well as the international conventions of which that country has accepted and signed. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake them on application or by official order, acting on behalf of the authorities concerned.

The classification society also undertakes on request other surveys and checks that are required by regulations and requirements of the flag state or port authority. These surveys are subject to agreements made in each individual case and/or to the regulations of the country concerned.

For the maintenance of the class certificate, regular and extraordinary surveys of hull and machinery, including the electrical plant, and any special equipment classed are required to be performed as follows:

Annual Surveys, which are conducted for the hull and the machinery at intervals of 12 months from the date of commencement of the class period indicated on the certificate.

Intermediate Surveys, which are extended annual surveys and are typically conducted two and one-half years after commissioning and after each class renewal survey. In the case of newbuildings, the requirements of the intermediate survey can be met through an underwater inspection in lieu of drydocking the vessel. Intermediate surveys may be carried out on the occasion of the second or third annual survey.

Class Renewal Surveys (also known as *special surveys*), which are carried out at the intervals indicated by the classification for the hull (usually at five-year intervals). During the special survey, the vessel is thoroughly examined, including Non-Destructive Inspections ("NDIs") to determine the thickness of the steel structures. Should the thickness be found to be less than class requirements, the classification society will order steel renewals. The classification society may grant a one-year grace period for completion of the special survey. Substantial amounts of funds may have to be spent for steel renewals to pass a special survey if the vessel experiences excessive wear and tear. In lieu of the special survey every five years, depending on whether a grace period is granted, a ship-owner or manager has the option of arranging with the classification society for the vessel's hull or machinery to be on a continuous survey cycle, in which every part of the vessel would be surveyed within a five-year cycle. At an owner's application, the surveys required for class renewal may be split according to an agreed schedule to extend over the entire period of class. This process is referred to as ESP (Enhanced Survey Program) and CSM (Continuous Machinery Survey).

Occasional Surveys, which are carried out as a result of unexpected events, e.g., an accident or other circumstances requiring unscheduled attendance by the classification society for reconfirming that the vessel maintains its class, following such an unexpected event.

All areas subject to survey, as defined by the classification society, are required to be surveyed at least once per class period, unless shorter intervals between surveys are prescribed elsewhere. The period between two subsequent surveys of each area must not exceed five years.

Most vessels are also drydocked every 30 to 36 months for inspection of the underwater parts and for repairs related to inspections. If any defects are found, the classification surveyor will issue a "recommendation" which must be rectified by the ship-owner within prescribed time limits. Most insurance underwriters make it a condition for insurance coverage that a vessel be certified as "in class" by a classification society which is a member of the International Association of Classification Societies. All of our vessels are certified as being "in class" by Lloyd's, ABS, BV and DNV. All new and secondhand vessels that we may purchase must be certified prior to their delivery under our standard agreements. If any vessel we contract to purchase is not certified as "in class" on the date of closing, under our standard purchase agreements, we will have no obligation to take delivery of such vessel.

Risk Management and Insurance

The operation of any ocean-going vessel carries an inherent risk of catastrophic marine disasters, death or personal injury and property losses caused by adverse weather conditions, mechanical failures, human error, war, terrorism, piracy and other circumstances or events. The occurrence of any of these events may result in loss of revenues or increased costs or, in the case of marine disasters, catastrophic liabilities. Although we believe our current insurance program is comprehensive, we cannot insure against all risks, and we cannot be certain that all covered risks are adequately insured against or that we will be able to achieve or maintain similar levels of coverage throughout a vessel's useful life. Furthermore, there can be no guarantee that any specific claim will be paid by the insurer or that it will always be possible to obtain insurance coverage at reasonable rates. More stringent environmental regulations at times in the past have resulted in increased costs for, and may result in the lack of availability of, insurance against the risks of environmental damage or pollution. Moreover, under the terms of our bareboat charters, the charterer provides for the insurance of the vessel, and as a result, these vessels may not be adequately insured and/or in some cases may be self-insured. Any uninsured or under-insured loss could harm our business and financial condition or could materially impair or end our ability to trade or operate.

We believe our current insurance program is prudent. We currently carry the traditional range of marine and liability insurance coverage for each of our vessels to protect against most of the accident-related risks involved in the conduct of our business. Specifically we carry:

- *Hull and machinery insurance* covers loss of or damage to a vessel due to marine perils such as collisions, grounding and weather and the coverage is usually to an agreed "insured value" which, as a matter of policy, is never less than the particular vessel's fair market value. Cover is subject to policy deductibles which are always subject to change.
- *Increased value insurance* augments hull and machinery insurance cover by providing a low-cost means of increasing the insured value of the vessels in the event of a total loss casualty.
- *Protection and indemnity insurance* is the principal coverage for third party liabilities and indemnifies against such liabilities incurred while operating vessels, including injury to the crew, third parties, cargo or third party property loss (including oil pollution) for which the shipowner is responsible. We carry the current maximum available amount of coverage for oil pollution risks, $1.0 billion per vessel per incident.
- *War Risks insurance* covers such items as piracy and terrorism.
- *Freight, Demurrage & Defense* cover is a form of legal costs insurance which responds as appropriate to the costs of prosecuting or defending commercial (usually uninsured operating) claims.

Not all risks are insured and not all risks are insurable. The principal insurable risks which nevertheless remain uninsured across the fleet are "loss of hire" and "strikes". We do not insure these risks because the costs are regarded as disproportionate to the benefit.

The following table sets forth certain information regarding our insurance coverage as of December 31, 2013.

Type	Aggregate Sum Insured For All Vessels in our Existing Fleet*
Hull and Machinery	$1.4 billion (increased value insurance (including excess liabilities) provides additional coverage).
Increased Value (including Excess Liabilities)	Up to $370 million additional coverage in total.
Protection and Indemnity (P&I)	Pollution liability claims: limited to $1.0 billion per vessel per incident.
War Risk	$1.77 billion

*Certain of our bareboat charterers are responsible for the insurance on the vessels. The values attributed to those vessels are in line with the values agreed in the relevant charters as augmented by separate insurances.

The International Shipping Industry

The seaborne transportation industry is a vital link in international trade, with ocean-going vessels representing the most efficient and often the only method of transporting large volumes of basic commodities and finished products. Demand for oil tankers is dictated by world oil demand and trade, which is influenced by many factors, including international economic activity; geographic changes in oil production, processing, and consumption; oil price levels; inventory policies of the major oil and oil trading companies; and strategic inventory policies of countries such as the United States, China and India. The drybulk trade is influenced by the underlying demand for the drybulk commodities, which, in turn, is influenced by the level of worldwide economic activity. Generally, growth in gross domestic product, or GDP, and industrial production correlate with peaks in demand for marine drybulk transportation services. A wide range of cargoes are transported by container but most notably container transportation is responsible for the shipment of a diverse selection of manufactured and consumer goods in unitized form. These cargoes are transported by container to end users in all regions of the world, and in particular from key producing and manufacturing regions to end users in the world's largest consumer economies. Growth in global container trade is being driven by growth in world merchandise trade, and the growing share in the containerized part thereof, along with the expansion in "containerization" of new commodities and the trend towards globalization.

Shipping demand, measured in tonne-miles, is a product of (a) the amount of cargo transported in ocean-going vessels, multiplied by (b) the distance over which this cargo is transported. The distance is the more variable element of the tonne-mile demand equation and is determined by seaborne trading patterns, which are principally influenced by the locations of production and consumption. Seaborne trading patterns are also periodically influenced by geo-political events that divert vessels from normal trading patterns, as well as by inter-regional trading activity created by commodity supply and demand imbalances. Tonnage of oil shipped is primarily a function of global oil consumption, which is driven by economic activity as well as the long-term impact of oil prices on the location and related volume of oil production. Tonnage of oil shipped is also influenced by transportation alternatives (such as pipelines) and the output of refineries.

Demand for tankers and tonnage of oil shipped is primarily a function of global oil consumption, which is driven by economic activity as well as the long-term impact of oil prices on the location and related volume of oil production. Global oil demand returned to limited growth in 2010 and has since been expanding at a modest pace, as a steady rise in Asia has outweighed decreasing demand in Europe and in the United States. Organization for Economic Cooperation and Development demand stabilized in 2012 and 2013 at approximately 46 million barrels per day ("mb/day") after contracting for several years. The crude tanker market experienced on average a more limited improvement, as the supply of crude tankers remained at historically high levels. According to the IEA, global oil product demand for 2013 has been revised as of January 2014 to 91.2 mb/day compared to 90.0 mb/day during 2012. The IEA expects 2014 oil demand to grow by 1.3 mb/day to 92.5 mb/day.

Tonnage of oil shipped is also influenced by transportation alternatives (such as pipelines) and the output of refineries. In 2012, it is estimated that ten refineries, predominantly in Europe and North America, with combined throughput of approximately 1.9 mb/day ceased operations as a result of weak margins. Total refinery capacity

additions for the same period were approximately 513 kb/day in these two regions. The net effect was a reduction of approximately 1.3 mb/day in North America and Europe. Following the significant reduction in refinery capacity in both regions during 2012, a few refinery closures occurred in 2013. However, as refinery margins have dropped, the IEA forecasts more plant closures in 2014. Overall, it is estimated that global refinery capacity increased by approximately 1.7 mb/day in 2013, with such increase primarily driven by the estimated 1.0 mb/day addition to refinery capacity in Asia. In 2014, a notable number of additional refineries are expected to start operations in Asia and in the Middle East. These new so-called super-refineries are expected to partly offset the lost refining capacity in the Atlantic basin through long haul exports, which could potentially have a positive impact on tonne-mile demand for product tankers as cargoes will be transported across longer distances.

Competition

We operate in a highly fragmented, highly diversified global market with many charterers, owners and operators of vessels.

Competition for charters in all the trades our vessels trade in, tankers, drybulk and container, can be intense and the ability to obtain favorable charters depends, in addition to price, on a variety of other factors, including the location, size, age, condition and acceptability of the vessel and its operator to the charterer and is frequently tied to having an available vessel which has met the strict operational and financial standards established by the oil major companies to pre-qualify or vet tanker operators prior to entering into charters with them. Although we believe that at the present time no single company has a dominant position in the markets in which we compete, that could change and we may face substantial competition for medium- to long-term charters from a number of experienced companies who may have greater resources or experience than we do when we try to recharter our vessels, especially as a large number of our vessels will come off charter during 2014. However, Capital Maritime is amongst a small number of ship management companies in the tanker sector that has undergone and successfully completed office assessments by seven major international oil companies in the last few years, including audits with BP, Chevron Corporation, Philips66 Inc., ExxonMobil Corporation, Royal Dutch Shell plc, Statoil ASA and Total S.A. We believe our ability to comply with the rigorous standards of major oil companies, relative to less qualified or experienced operators, allows us to effectively compete for new charters.

Regulation

General

Our operations and our status as an operator and manager of ships are extensively regulated by international conventions, Class requirements, U.S. federal, state and local as well as non-U.S. health, safety and environmental protection laws and regulations, including OPA 90, the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), the U.S. Port and Tanker Safety Act, the Act to Prevent Pollution from Ships, the U.S. Clean Air Act (“Clean Air Act”), The Clean Water Act, as well as regulations adopted by the IMO and the European Union, various volatile organic compound and other air emission requirements, IMO/U.S. Coast Guard pollution regulations and various Safety of Life at Sea (“SOLAS”) amendments, as well as other regulations described below. In addition, various jurisdictions either have or are considering regulating the management of ballast water to prevent the introduction of non-indigenous species considered to be invasive. Compliance with these laws, regulations and other requirements could entail additional expense, including vessel modifications and implementation of additional operating procedures.

We are also required by various other governmental and quasi-governmental agencies and international organizations to obtain permits, licenses and certificates for our vessels, depending upon such factors as the country of registry, the cargo transported, the trading area, the nationality of the vessel’s crew, the age and size of the vessel and our status as owner or charterer. Failure to maintain necessary permits, licenses or certificates could require us to incur substantial costs or temporarily suspend operations of one or more of our vessels.

We believe that the heightened environmental and quality concerns of insurance underwriters, regulators and charterers will in the future impose greater inspection, training and safety requirements on all types of vessels in the shipping industry. In addition to inspections by us, our vessels are subject to both scheduled and unscheduled inspections by a variety of governmental and private entities, each of which may have unique requirements. These

entities include the local port authorities (such as U.S. Coast Guard, harbor master or equivalent), classification societies, flag state administration P&I Clubs, charterers, and particularly terminal operators and major oil companies which conduct frequent vessel inspections.

It is our policy to operate our vessels in full compliance with applicable environmental laws and regulations. However, regulatory programs are complex and because such laws and regulations frequently change and may impose increasingly strict requirements, we cannot predict the ultimate cost of complying with these and any future requirements or their impact on the resale value or useful life of our vessels.

United States Requirements

The United States regulates the tanker industry with an extensive regulatory and liability regime for environmental protection and the cleanup of oil spills, primarily through OPA 90, CERCLA and certain coastal state laws.

OPA 90 affects all vessel owners and operators transporting crude oil or petroleum products to, from, or within U.S. waters. The law phases out the use of tankers having single-hulls and can effectively impose unlimited liability on vessel owners and operators in the event of an oil spill. Under OPA 90, vessel owners, operators and bareboat charterers are liable, without regard to fault, for all containment and clean-up costs and other damages, including natural resource damages, and for certain economic losses, arising from oil spills and pollution from their vessels. Effective July 31, 2009, the U.S. Coast Guard adopted interim regulations that adjust the limits of OPA liability for environmental damages for double-hull vessels to the greater of $2,000 per gross ton or $17,088,000 million per tanker that is over 3,000 gross tons (subject to possible adjustment for inflation), unless the incident is caused by gross negligence, willful misconduct, or a violation of certain regulations, in which case liability is unlimited. In addition, OPA 90 does not preempt state law and permits individual states to impose their own stricter liability regimes with regard to oil pollution incidents occurring within their boundaries. Coastal states have enacted pollution prevention, liability and response laws, many providing for unlimited liability. As a result of the Deepwater Horizon oil spill in the Gulf of Mexico, bills have been introduced periodically in the U.S. Congress to increase the limits of OPA liability for all vessels, including tanker vessels.

CERCLA applies to the discharges of hazardous substances (other than oil) whether on land or at sea, and contains a liability regime that provides for cleanup, removal and natural resource damages. Liability under CERCLA is limited to the greater of $300 per gross ton or $5.0 million for vessels carrying any hazardous substances as cargo, or $0.5 million for any other vessel, per release of or incident involving hazardous substances. These limits of liability do not apply if the incident is caused by gross negligence, willful misconduct, or a violation of certain regulations, in which case liability is unlimited.

The financial responsibility regulations for tankers issued under OPA 90 also require owners and operators of vessels entering U.S. waters to obtain, and maintain with the U.S. Coast Guard, Certificates of Financial Responsibility, or COFRs, in the amount sufficient to meet the maximum aggregate liability under OPA 90 and CERCLA. All of our vessels that need COFRs have them.

We insure each of our tankers with pollution liability insurance in the maximum commercially available amount of $1.0 billion per incident. A catastrophic spill could exceed the insurance coverage available, in which event there could be a material adverse effect on our business. OPA 90 requires that tankers over 5,000 gross ton calling at U.S. ports have double hulls. All of the vessels in our fleet have double hulls.

We believe that we are in compliance with OPA 90, CERCLA and all applicable state regulations in U.S. ports where our vessels call.

OPA 90 also amended the Clean Water Act to require owners and operators of vessels to adopt contingency plans for reporting and responding to oil spill scenarios up to a “worst case” scenario and to identify and ensure, through contracts or other approved means, the availability of necessary private response resources to respond to a “worst case discharge”. In addition, periodic training programs, drills for shore and response personnel, and for vessels and their crews are required. Our vessel response plans have been approved by the U.S. Coast Guard. The

Clean Water Act prohibits the discharge of oil or hazardous substances in U.S. navigable waters and imposes strict liability in the form of penalties for unauthorized discharges. The Clean Water Act also imposes substantial liability for the costs of removal, remediation and damages and complements the remedies available under OPA 90 and CERCLA, discussed herein. U.S. Environmental Protection Agency ("EPA") regulations govern the discharge into U.S. waters of ballast water and other substances incidental to the normal operation of vessels. Under EPA regulations, commercial vessels greater than 79 feet in length are required to obtain coverage under the Vessel General Permit, or VGP, by submitting a Notice of Intent. The VGP incorporates current U.S. Coast Guard requirements for ballast water management as well as supplemental ballast water requirements and includes technology-based and water-quality based limits for other discharges, such as deck runoff, bilge water and gray water. U.S. Coast Guard regulations phase in stricter VGP ballast management requirements in the future. Administrative obligations, such as monitoring, recordkeeping and reporting requirements also apply. We have submitted NOIs for our vessels operating in U.S. waters and will likely incur costs to meet the requirements of the VGP. In addition, various states, such as Michigan and California, have also enacted, or proposed, legislation restricting ballast water discharges and the introduction of non-indigenous invasive species. These and any similar requirements in the future could include ballast water treatment obligations that increase the cost of operating in the United States, such as the installation of equipment on our vessels to treat ballast water before it is discharged or the implementation of other port facility disposal arrangements or procedures. These could impose substantial costs or restrict our vessels from entering certain U.S. waters.

The Clean Air Act requires the EPA to promulgate standards applicable to emissions of volatile organic compounds, hazardous air pollutants and other air contaminants. The Clean Air Act also requires states to draft State Implementation Plans ("SIPs") designed to attain national health-based air quality standards, which have significant regulatory impacts in major metropolitan and/or industrial areas. Several SIPs regulate emissions resulting from vessel loading and unloading operations by requiring the installation of vapor control equipment. Individual states, including California, also regulate vessel emissions within state waters. California also has adopted fuel content regulations that will apply to all vessels sailing within 24 miles of the California coastline or whose itineraries call for them to enter any California ports, terminal facilities, or internal or estuarine waters. In addition, on March 26, 2010, IMO designated the area extending 200 miles from the U.S. territorial sea baseline adjacent to the Atlantic/Gulf and Pacific coasts and the eight main Hawaiian Islands as Emission Control Areas under recent amendments to the Annex VI of MARPOL (discussed below). In addition, regulatory initiatives to require cold-ironing (shore-based power while docked) are under consideration in a number of jurisdictions to reduce air emissions from docked ships. If these or other new or more stringent requirements relating to emissions from marine diesel engines or port operations by vessels are adopted by the EPA, the states or local jurisdictions where we operate, compliance with these regulations could entail significant capital expenditures or otherwise increase the costs of our operations.

International Requirements

The IMO has also negotiated international conventions that impose liability for oil pollution in international waters and a signatory's territorial waters. In September 1997, the IMO adopted Annex VI to the International Convention for the Prevention of Pollution from Ships to address air pollution from ships. Annex VI sets limits on sulfur oxide and nitrogen oxide emissions from ship exhausts and prohibits deliberate emissions of ozone depleting substances, such as chlorofluorocarbons. Annex VI also includes a global cap on the sulfur content of fuel oil and allows for special areas to be established with more stringent controls on sulfur emissions. The MEPC adopted amendments to Annex VI to the MARPOL, which entered into force on July 1, 2010, regarding particulate matter, nitrogen oxide and sulfur oxide emissions. The revised Annex VI reduces air pollution from vessels by, among other things (i) implementing a progressive reduction of sulfur oxide emissions from ships, with the global sulfur cap reduced initially to 3.50% (from the current cap of 4.50%), effective from January 1, 2012, then progressively to 0.50%, effective January 1, 2020 (subject to a feasibility review to be completed no later than 2018) and (ii) establishing new tiers of stringent nitrogen oxide emissions standards for new marine engines, depending on their date of installation. Additionally, more stringent emission standards could apply in coastal areas designated as Emission Control Areas. We may incur additional costs to comply with these revised standards. A failure to comply with Annex VI requirements could result in a vessel not being able to operate. All of our vessels are subject to Annex VI regulations. We believe that our existing vessels meet relevant Annex VI requirements and that our undelivered product tankers will be fitted with these emission control systems prior to their delivery.

The ISM Code, promulgated by the IMO, also requires the party with operational control of a vessel to develop an extensive safety management system that includes, among other things, the adoption of a safety and environmental protection policy setting forth instructions and procedures for operating its vessels safely and describing procedures for responding to emergencies. The ISM Code requires that vessel operators obtain a safety management certificate for each vessel they operate. No vessel can obtain a certificate unless its manager has been awarded a document of compliance, issued by each flag state, under the ISM Code. All of our ocean-going vessels are ISM certified.

Noncompliance with the ISM Code and other IMO regulations may subject the shipowner or bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected vessels and may result in the denial of access to, or detention in, some ports. For example, the U.S. Coast Guard and EU authorities have indicated that vessels not in compliance with the ISM Code will be prohibited from trading in U.S. and EU ports.

Many countries have ratified and follow the liability plan adopted by the IMO and set out in the International Convention on Civil Liability for Oil Pollution Damage of 1969 (the "CLC") (the United States, with its separate OPA 90 regime, is not a party to the CLC). Under this convention and depending on whether the country in which the damage results is a party to the 1992 Protocol to the International Convention on Civil Liability for Oil Pollution Damage, a vessel's registered owner is strictly liable for pollution damage caused in the territorial waters of a contracting state by discharge of persistent oil, subject to certain defenses. Under the Protocol for vessels of 5,000 to 140,000 gross tons, liability is limited to approximately $7.1 million plus $989.2 for each additional gross ton over 5,000. For vessels of over 140,000 gross tons, liability is limited to approximately $140.7 million. As the convention calculates liability in terms of a basket of currencies, these figures are based on currency exchange rates on December 31, 2010. The right to limit liability is forfeited under the International Convention on Civil Liability for Oil Pollution Damage where the spill is caused by the owner's actual fault and under the 1992 Protocol where the spill is caused by the owner's intentional or reckless conduct. Vessels trading to states that are parties to these conventions must provide evidence of insurance covering the liability of the owner. In jurisdictions where the International Convention on Civil Liability for Oil Pollution Damage has not been adopted, various legislative schemes or common law regimes govern, and liability is imposed either on the basis of fault or in a manner similar to that convention. We believe that our P&I insurance will cover the liability required under the plan adopted by the IMO.

In 2001, the IMO adopted the International Convention on Civil Liability for Bunker Oil Pollution Damage, or the Bunker Convention, which imposes strict liability on ship owners for pollution damage caused by discharges of bunker oil in jurisdictional waters of ratifying states. The Bunker Convention also requires registered owners of ships over a certain size to maintain insurance for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime (but not exceeding the amount calculated in accordance with the Convention on Limitation of Liability for Maritime Claims of 1976, as amended). Our fleet has been issued with a certificate attesting that insurance is in force in accordance with the insurance provisions of the convention.

IMO regulations also require owners and operators of vessels to adopt Shipboard Marine Pollution Emergency Plans ("SMPEPs"). Periodic training and drills for response personnel and for vessels and their crews are required. The SMPEPs required for our vessels are in place.

In addition, our operations are subject to compliance with the International Bulk Chemical ("IBC") Code, as required by MARPOL and SOLAS for chemical tankers built after July 1, 1986, which provides ship design, construction and equipment requirements and other standards for the bulk transport of certain liquid chemicals. Under October 2004 amendments to the IBC Code (implemented to meet recent revisions to SOLAS and Annex II to MARPOL), some previously unrestricted vegetable oils, including animal fats and marine oils, must be transported in chemical tankers meeting certain double-hull construction requirements. Our vessels may transport such cargoes but are restricted as to the volume they are able to transport per cargo tank. This restriction does not apply to edible oils. In addition, those amendments require re-evaluation of the categorization of certain products with respect to their properties as marine pollutants, as well as related ship type and carriage requirements. Where necessary pollution data is not supplied for those products, bulk carriage of such products could be prohibited.

The International Convention on the Control of Harmful Anti-fouling Systems on Ships (the "Anti-fouling Convention") prohibits the use of organotin compound coatings to prevent the attachment of mollusks and other sea life to the hulls of vessels. The Anti-fouling Convention applies to vessels constructed prior to January 1, 2003 that have not been in drydock since September 17, 2008. Vessels of over 400 gross tons engaged in international voyages must obtain an International Anti-fouling System Certificate and must undergo a survey before the vessel is put into service or when the anti-fouling systems are altered or replaced. We have obtained Anti-Fouling System Certificates for all of our vessels that are subject to the Anti-Fouling Convention and do not believe that maintaining such certificates will have a material adverse financial impact on the operation of our vessels.

Climate Change and Greenhouse Gas Regulation

Increasing concerns about climate change have resulted in a number of international, national and regional measures to limit greenhouse gas emissions and additional stricter measures can be expected in the future. In February 2005, the Kyoto Protocol to the United Nations Framework Convention on Climate Change, or Kyoto Protocol, entered into force. Pursuant to the Kyoto Protocol, adopting countries are required to implement national programs to reduce emissions of certain gases, generally referred to as greenhouse gases, which are suspected to contribute to global warming. Currently, the emissions of greenhouse gases from international shipping are not subject to the Kyoto Protocol. However, a new treaty may be adopted in the future that includes restrictions on shipping emissions. The European Union also has indicated that it intends to propose an expansion of the existing European Union emissions trading scheme to include emissions of greenhouse gases from vessels. In the United States, the EPA is considering a petition from the California Attorney General to regulate greenhouse gas emissions from ocean-going vessels. In addition, the EPA has begun regulating greenhouse gas emissions under the Clean Air Act and climate change initiatives are being considered in the U.S. Congress. Any passage of climate control legislation or other regulatory initiatives by the IMO, European Union, the U.S. or other countries where we operate that restrict emissions of greenhouse gases could have a financial impact on our operations that we cannot predict with certainty at this time. In addition, scientific studies have indicated that increasing concentrations of greenhouse gases in the atmosphere may produce climate changes with significant physical effects, such as increased frequency and severity of storms, floods and other severe weather events that could affect our operations.

Vessel Security Regulations

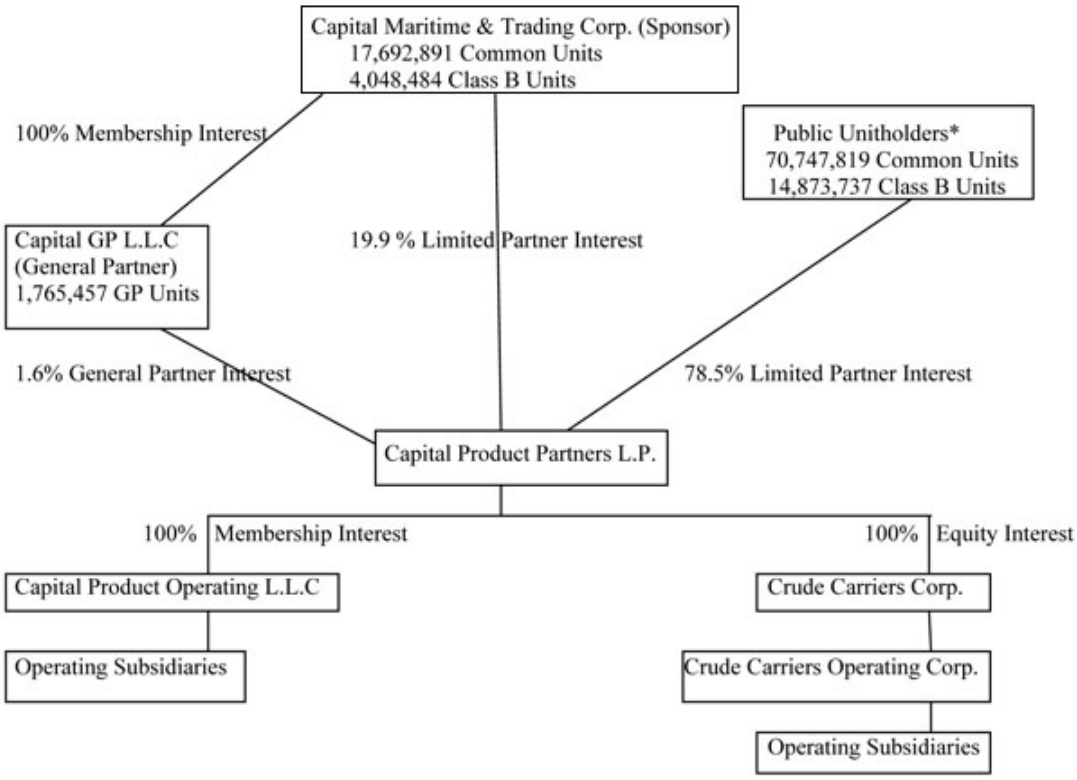
Since the terrorist attacks of September 11, 2001, there have been a variety of initiatives intended to enhance vessel security. On November 25, 2002, the Maritime Transportation Security Act of 2002 ("MTSA") came into effect. To implement certain portions of the MTSA, in July 2003, the U.S. Coast Guard issued regulations requiring the implementation of certain security requirements aboard vessels operating in waters subject to the jurisdiction of the United States.

Similarly, in December 2002, amendments to SOLAS created a new chapter of the convention dealing specifically with maritime security. The new chapter went into effect in July 2004, and imposes various detailed security obligations on vessels and port authorities, most of which are contained in the newly created International Ship and Port Facilities Security ("ISPS") Code. Among the various requirements are:

- on-board installation of automatic identification systems to enhance vessel-to-vessel and vessel-to-shore communications;
- on-board installation of ship security alert systems;
- the development of vessel security plans; and
- compliance with flag state security certification requirements.

The U.S. Coast Guard regulations, intended to align with international maritime security standards, exempted non-U.S. vessels from MTSA vessel security measures provided such vessels had on board, by July 1, 2004, a valid International Ship Security Certificate that attests to the vessel's compliance with SOLAS security requirements and the ISPS Code. We have implemented the various security measures addressed by the MTSA, SOLAS and the ISPS Code and have ensured that our vessels are compliant with all applicable security requirements.

C. Organizational Structure – percentages and units owned to be amended



*Includes common units held by our chairman Evangelos M. Marinakis and common units issued upon conversation of the Crude Carriers shares upon completion of the merger with Crude Carriers, including common units resulting from the conversion of the Crude Carriers Class B shares owned by Crude Carriers Investments and common units resulting from the conversion of Crude Carriers common shares issued under the Crude Plan as well as common units issued under our Plan.

Please also see Note 1 (Basis of Presentation and General Information) to our Financial Statements included herein and Exhibit 8.1 to this Annual Report for a list of our significant subsidiaries as of December 31, 2013.

D. Property, Plants and Equipment

Other than our vessels, we do not have any material property. Our obligations under our credit facilities are secured by all our vessels. For further details regarding our credit facilities, please read “Item 5B: Liquidity and Capital Resources—Borrowings—Our Credit Facilities”.

Item 4A. Unresolved Staff Comments.

None.

Item 5. Operating and Financial Review and Prospects.

You should read the following discussion of our financial condition and results of operations in conjunction with our audited consolidated Financial Statements for the years ended December 31, 2013, 2012 and 2011 and related notes included elsewhere in this Annual Report. Among other things, the Financial Statements include more detailed information regarding the basis of presentation for the following information. The Financial Statements have been prepared in accordance with U.S. GAAP and are presented in thousands of U.S. Dollars.

A. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We are an international shipping company formed in January 2007 by Capital Maritime, an international shipping company with a long history of operating and investing in the shipping market. Our fleet currently consists of 30 modern high specification vessels with an average age of approximately 5.8 years as of December 31, 2013.

During 2013 we completed the issuance and sale of 9.1 million Class B Units, including 615,151 to Capital Maritime, which are convertible into common units on a one-for-one basis. The Class B Units pay a fixed quarterly distribution of $0.21375 per unit representing an annualized distribution yield of 9.5%. The issued Class B Units have certain rights that are senior to the rights of the holders of common units, such as the right to distributions and rights upon liquidation of the Partnership reflected in the Second Amendment to the Partnership Agreement and the Third Amendment to the Partnership Agreement. Furthermore, pursuant to the terms of the Third Amendment to the Partnership Agreement, an upward adjustment to the distribution rate for the Class B Units occurs in the event the distribution rate on our common units is increased. In connection with the issuance and sale of the Class B Units, and together with approximately $54.0 million from our existing credit facilities and part of our cash balances, we paid for the acquisition of two 5,023 TEU Container Vessels for a total consideration of $130.0 million. Please see Exhibit I to our Current Report on Form 6-K furnished to the SEC on March 18, 2013 and Exhibits I, II, III and IV to our Current Report on Form 6-K furnished to the SEC on March 21, 2013, and Note 13 (Partners' Capital) to our Financial Statements included herein for more information.

In July, August, October and December 2013, certain holders of our Class B Units converted 5,733,333 Class B Units into common units in accordance with the terms of the partnership agreement.

Additionally, following the filing for protection under Chapter 11 of the U.S. Bankruptcy Code by one of our charterers, OSG, we agreed to enter into three new charters with OSG on substantially the same terms as the prior three charters, but at a bareboat rate of $6,250 per day. The new charters were approved by the Bankruptcy Court on March 21, 2013, and were effective as of March 1, 2013. On the same date, the Bankruptcy Court also rejected the prior charters as of March 1, 2013. We filed claims for a total of $54.1 million against each of the charterers and their respective guarantors for damages resulting from the rejection of each of the prior charters, including, among other things, for the difference between the bareboat rate of the new charters and the bareboat rate under each of the rejected prior charters. We transferred to Deutsche Bank all of our rights, title, interest, claims and causes of action in and to, or arising under or in connection with, the Claims and, as a result, we received $31.4 million (subject to increase or decrease depending on the actual allowed amount of the Claims). On December 18, 2013 the Partnership and Deutsche Bank entered into a Settlement Notice and Refund Modification pursuant to which, among other things, we agreed that if the Claims are allowed in an aggregate amount less than $43.25 million, the maximum aggregate amount that we are obligated to refund to Deutsche Bank is $0.6 million. The Claims have been settled with OSG and are allowed as general unsecured claims in the aggregate amount of $43 million. As a result of this allowance, we are obligated to refund $0.6 million to Deutsche Bank.

We also completed the issuance and sale of 13,685,000 common units representing limited partnership interests at a public offering price of $9.25 per unit, which included 1,785,000 common units sold as a result of the full exercise of the over-allotment option granted to the underwriters of the public offering. Capital GP L.L.C., our general partner, participated in both the offering and the exercise of the over-allotment option and purchased 279,286 units at the public offering price, subsequently converting 349,700 common units into general partner units to maintain its 2% interest in us.

Further, we entered into a new senior secured credit facility of up to $200.0 million, which was amended on December 27, 2013 to increase its size to up to $225.0 million, led by ING Bank N.V. We used the net proceeds from the issuance of the 13,685,000 common units together with approximately $75.0 million from our 2013 credit facility and part of our cash balances to acquire the three 5,023 TEU container vessels from our sponsor Capital Maritime for an aggregate purchase price of $195.0 million.

We sold the M/T Agamemnon II (51,238 dwt IMO II/III Chemical Product Tanker built 2008, STX Shipbuilding & Offshore, S. Korea) to unaffiliated third parties and acquired an eco-type MR product tanker to be renamed M/T Aristotelis (51,604 dwt IMO II/III Chemical Product Tanker built 2013, Hyundai Mipo Dockyard Ltd, S. Korea). The acquisition of M/T Aristotelis was funded with proceeds from the sale of M/T Agamemnon II and approximately $6.2 million from our cash balances.

During 2012 we completed the issuance and sale of 15,555,554 Class B Units, including 3,433,333 Class B Units to Capital Maritime, which are convertible at any time into common units on a one-for-one basis. With the exception of the first quarterly distribution which was set at $0.26736 per unit, the Class B Units pay a fixed quarterly distribution of $0.21375 per unit representing an annualized distribution yield of 9.5%. The issued Class B Units have certain rights that are senior to the rights of the holders of common units, such as the right to distributions and rights upon liquidation of the Partnership reflected in the Second Amendment to the Partnership Agreement. In connection with the issuance and sale of the Class B Units we also entered into amendments to our three credit facilities, providing amongst others for the deferral of scheduled amortization payments under each of our three credit facilities until March 2016, and prepaid debt of $149.6 million. Please see our Current Reports on Form 6-K furnished to the SEC on May 23, 2012 and June 6, 2012 and Note 7 (Long Term Debt) and Note 13 (Partners' Capital) to our Financial Statements included herein for more information. In addition, during 2012 we sold the two small tankers in our fleet to unrelated third parties and acquired all of Capital Maritime's interest in its wholly owned subsidiaries that owned the two 7,943 TEU container carrier vessels M/V Archimidis and M/V Agamemnon, both built at Daewoo Shipbuilding in South Korea and under medium term time charters with Maersk Line in exchange for all of our interest in our wholly owned subsidiaries that owned the two VLCCs M/T Alexander the Great and M/T Achilleas (the "2012 Vessel Sale"). We received a total net consideration of $0.3 million in connection with this transaction and Capital Maritime has waived any compensation for the early termination of the charters of the M/T Alexander the Great and M/T Achilleas. In view of this transaction, we repaid $5.2 million in debt.

Please see "Item 4B: Business Overview—Our Management Agreements" above for a detailed description of the management agreements we have entered into with Capital Ship Management.

Please see "Item 4B: Business Overview—Our Fleet" and "—Our Charters" above for a detailed description of the vessels in our fleet, and their employment, including earliest possible redelivery dates of the vessels and relevant charter rates and operating expenses.

As of December 31, 2013, the Marinakis family, including Evangelos M. Marinakis, our chairman, may be deemed to beneficially own a 27.3% interest in us through its beneficial ownership, amongst others, of Capital Maritime and of Crude Carriers Investments.

Notwithstanding the ongoing challenges to the global economy and historically low charter rates, our primary business objective is to pay a sustainable quarterly distribution per unit and to increase our distributions over time, subject to shipping, charter and financial market developments and our financing requirements. Our strategy focuses on maintaining and growing our cash flows while maintaining and building on our ability to meet rigorous industry and regulatory safety standards.

We believe that the medium- to long-term, fixed-rate nature of our charters, our profit sharing arrangements, and our cost-efficient ship management operations under our agreements with Capital Ship Management and the fact that we currently have no capital commitments to purchase or build further vessels provide visibility of revenues, earnings and distributions in the medium- to long-term. As our vessels come up for rechartering we will seek to redeploy them at contracts that reflect our expectations of the market conditions prevailing at the time. We intend to continue to evaluate potential opportunities to acquire both newbuildings and second-hand vessels from Capital Maritime and from third parties (including, potentially, through the acquisition of, or combination with, other shipping businesses) and leverage the expertise and reputation of Capital Maritime in a prudent manner that is accretive to our unitholders and to long-term distribution growth, subject to approval of our board of directors and overall market conditions. In connection with evaluating and pursuing these opportunities, and as we seek to optimize our capital structure, we may also seek to evaluate and pursue financing opportunities from external financing sources, including bank borrowings and the issuance of debt and equity securities.

Please see “Item 5A: Management’s Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting our Future Results of Operations” below.

Please also see “Item 4B: Business Overview” above, for a description of the historical development of our company and a description of the significant acquisitions and financial events to date, including a more detailed description of the issuance and sale of the Class B Units, “Item 5A: Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—Accounting for Acquisition and Disposal of Vessels and Merger with Crude Carriers” and “Item 5B: Liquidity and Capital Resources—Net Cash Provided by/(Used in) Investing Activities” and “Item 7B: Related-Party Transactions” for a description of the terms of certain transactions.

Our Charters

We generate revenues by charging our customers for the use of our vessels to transport their products. Historically, we have provided services to our customers under time or bareboat charter agreements. As of December 31, 2013, all of the 30 vessels in our fleet were trading in the period market.

Our vessels are currently under contracts with BP Shipping Limited, Capital Maritime, Bluemarine Cargo, Subtec, Cosco, HMM, Maersk Line and OSG. For the year ended December 31, 2013, Capital Maritime, BP Shipping Limited, Maersk Line and HMM accounted for 32%, 17%, 14% and 13% of our revenues, respectively. For the year ended December 31, 2012, Capital Maritime and BP Shipping Limited accounted for 45% and 23% of our revenues, respectively. For the year ended December 31, 2011, Capital Maritime, BP Shipping Limited and OSG accounted for 24%, 32% and 11% of our revenues, respectively. The loss of any significant customer or a substantial decline in the amount of services requested by a significant customer could harm our business, financial condition and results of operations. In the future, as our fleet expands, we also expect to enter into charters with new charterers in order to maintain a portfolio that is diverse from a customer, geographic and maturity perspective.

Please read “Item 4B: Business Overview—Our Fleet”, “—Our Charters” and “—Profit Sharing Arrangements” for additional details regarding these types of contractual relationships as well as a detailed description of the length and daily charter rate of our charters and information regarding the calculation of our profit share arrangements.

Accounting for Acquisition and Disposal of Vessels and Merger with Crude Carriers

During 2013, we acquired all of the interest in five of Capital Maritime’s wholly owned subsidiaries that each owned a container carrier vessel, the M/V Hyundai Prestige renamed to M/V CCNI Angol, the M/V Hyundai Premium, the M/V Hyundai Paramount, the M/V Hyundai Privilege and the M/V Hyundai Platinum, each of which was under a long term time charter, at an aggregate price of $325.0 million. According to the Accounting Standard Codification (“ASC”) 805 “Business Combinations”, and the three elements that are defined in ASC 805-10-55-4 through 805-10-55-9 we have determined that the acquisition of each of the five above mentioned vessels constitutes an acquisition of a business. In our case, the fair value of net assets acquired of $367.3 million exceeded the purchase consideration of $325.0 million and therefore a gain from bargain purchase of $42.3 million was recognized in our consolidated statements of comprehensive income.

M/T Aristotelis, which was acquired during 2013 by an unaffiliated third party, has been treated as an acquisition of an asset. The results of operations, cash flows and financial position of the M/T Agamemnon II that was disposed during of 2013 are included in our Financial Statements up to the date of her disposal.

On December 22, 2012, we acquired all of the interest in two of Capital Maritime’s wholly owned subsidiaries that each owned a container carrier vessel, the M/V Archimidis and the M/V Agamemnon, each of which was under a medium term time charter, in exchange for all of our interest in two of our wholly owned subsidiaries that each owned a VLCC, the M/T Alexander the Great and the M/T Achilleas. According to the Accounting Standard Codification (“ASC”) 805 “Business Combinations”, and the three elements that are defined in ASC 805-10-55-4 through 805-10-55-9 we have determined that the acquisition of each of the M/V Archimidis and the M/V Agamemnon constitutes an acquisition of a business. In our case, the fair value of net assets acquired of

$70.3 million in the case of the acquisition of the M/V Agamemnon and the fair value of net assets acquired of $67.3 million in the case of the acquisition of the M/V Archimidis are both equal to the purchase consideration, therefore no goodwill or gain from bargain purchase was recognized for both transactions.

On September 30, 2011, the merger between us and Crude Carriers was successfully completed. We have accounted for the acquisition of Crude Carriers using the acquisition method of accounting. According to the ASC 805-30 “Business Combination” all assets acquired and liabilities assumed must be recorded at fair value. In our case the fair value of net assets acquired of $223.0 million exceeded the purchase consideration of $157.1 million and therefore a gain from bargain purchase of $65.9 million was recognized in our consolidated statements of comprehensive income. The acquisition of Crude Carriers was funded by the issuance of 24,967,240 common units to the holders of Crude Carriers’ shares.

Our partnership agreement provides that our board of directors has the power to oversee, direct the operation, and determine our strategies and policies. It also sets out the extent of the power that the general partner has regarding our management, operations and affairs. Following our annual general meeting of common unitholders on July 22, 2010, and the elections of two Class III directors, the majority of our board has been elected by non-Capital Maritime controlled unitholders. As a result, we are not considered to be under common control with Capital Maritime. As a consequence, starting with July 22, 2010, we no longer account for vessel acquisitions from Capital Maritime as transfer of equity interest between entities under common control.

Prior to July 22, 2010, when we and Capital Maritime were under common control, all the vessel owning companies we acquired from Capital Maritime were recorded by us at net book value reflected by Capital Maritime and accounted for as a combination of entities under common control or a transfer of equity interest between entities under common control. For a combination between entities under common control, the purchase cost provisions (as they relate to purchase business combinations involving unrelated entities) explicitly do not apply; instead the method of accounting prescribed by accounting standards for such transfers is similar to pooling-of-interests method of accounting. Under this method, the carrying amount of assets and liabilities recognized in the balance sheets of each combining entity are carried forward to the balance sheet of the combined entity, and no other assets or liabilities are recognized as a result of the combination. Purchase premium or discount representing the difference between the cash consideration paid and the book value of the net assets acquired was recorded as increase or decrease to the Partners’ capital.

Vessel owning companies that had an operating history as part of Capital Maritime’s fleet, prior to their acquisition by us have been treated as acquisitions of business as such vessels were acquired from an entity under common control with existing time charters, strategic management and operational resource management processes. As a result, transfers of equity interests between entities under common control were accounted for as if the transfer occurred at the beginning of the period, and prior years were retroactively adjusted to furnish comparative information similar to the pooling-of-interest method. Vessels that had no operating history and were delivered to us from the shipyards through Capital Maritime have been treated as an acquisition of assets from an entity under common control.

For additional information on how we have accounted for the transfers of vessels please see Note 3 (Acquisitions) to our Financial Statements included herein.

Factors Affecting Our Future Results of Operations

We are primarily exposed to the tanker market as (a) the majority of vessels in our fleet are either crude or product tankers and (b) most of the charters that have expired over the previous 12 months or are expected to expire in the coming 12 months are for our product or crude tanker vessels. We believe the principal factors that will affect our future results of operations are the economic, regulatory, financial, credit, political and governmental conditions that affect the shipping industry generally and that affect conditions in countries and markets in which our vessels engage in business. The world economy has been experiencing significant economic and political challenges since 2008 as well as a severe deterioration in the banking and credit markets which have had, and continue to have, a negative impact on world trade and which may affect our ability to obtain financing as well as further impact the values of our vessels and the charters we are able to obtain for our vessels. The pace of recovery of the world economy and demand for the seaborne transportation of goods, including oil and oil products and for dry and

containerized goods, and the deliveries of newbuilding vessels will affect the shipping industry in general and our future results. Other key factors that will be fundamental to our business, future financial condition and results of operations include:

- the demand for seaborne transportation services;
- levels of oil product demand and inventories;
- demand for raw materials, dry cargo and containerized goods;
- charter hire levels and our ability to recharter our vessels as their current charters expire;
- our ability to service our debt and, when the non-amortizing period expires in March 2016, to refinance our existing indebtedness with similar terms to our existing loans or, in the event such indebtedness is not refinanced, our obligation to make principal payments under our credit facilities;
- supply of vessels, and specifically the number of newbuildings entering the world tanker, container and dry cargo fleets each year;
- the ability to increase the size of our fleet and make additional acquisitions that are accretive to our unitholders;
- the ability of Capital Maritime's commercial and chartering operations to successfully employ our vessels at economically attractive rates, particularly as our fleet expands and our charters expire;
- the continuing demand for goods from China, India, Brazil and Russia and other emerging markets;
- our ability to comply with and benefit from new maritime regulations and the more restrictive regulations for the transport of certain products and cargoes;
- our ability to comply with the covenants in our credit facilities, including covenants relating to the maintenance of vessel value ratios;
- the increased costs associated with the renewal of our technical management agreement and transition to a floating fee based on actual expenses for certain of our vessels;
- the effective and efficient technical management of our vessels;
- the costs associated with upcoming drydocking of our vessels which are not covered by our management agreements;
- Capital Maritime's ability to obtain and maintain major international oil company approvals and to satisfy their technical, health, safety and compliance standards; and
- the strength of and growth in the number of our customer relationships, especially with major international oil companies and major commodity traders.

In addition to the factors discussed above, we believe certain specific factors have impacted, and will continue to impact, our results of operations. These factors include:

- the charter hire earned by our vessels under time charters and bareboat charters;
- our ability to recharter our vessels on medium to long term charters at competitive rates;
- our ability to comply with the covenants in our credit facilities, including covenants relating to the maintenance of vessel value ratios, as the recent decline in vessel values and charter rates may limit our ability to pursue our business strategy;
- the prevailing spot market rates and the number of our vessels which we may operate on the spot market;
- our access to debt and equity, and the cost of such capital, required to acquire additional vessels and/or to implement our business strategy;
- our ability to acquire and sell vessels at prices we deem satisfactory;
- our level of debt and the related interest expense and amortization of principal; and
- the level of any distribution on our common units.

Please read "Item 3D: Risk Factors" above for a discussion of certain risks inherent in our business.

Factors to Consider When Evaluating Our Results

We believe it is important to consider the following factors when evaluating our results of operations:

- *Financial Statements.* Our Financial Statements include the results of operations of different numbers of vessels in each year. Please read "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Accounting for Acquisition and Disposal of Vessels and Merger with Crude Carriers" above for a description of the financial treatment of vessel acquisitions and dispositions.

- *Vessel Acquisitions and Disposals.* Vessels that have been acquired or delivered to us prior to July 22, 2010, are included in our results of operations, cash flows and financial position from the date of incorporation of the relevant vessel owning company or, in the case of the seven vessels we contracted to acquire at the time of our IPO which were delivered during 2007 and 2008, as of their delivery date from the shipyard to Capital Maritime and us. Results of operations, cash flows and financial position of vessels that have been disposed of are included in our Financial Statements up to the date of their disposal. As a result of this accounting treatment, our Financial Statements may include results of operations of more vessels than actually comprised our fleet during the relevant year. Please read "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Accounting for Acquisition and Disposal of Vessels and Merger with Crude Carriers" above for a description of the financial treatment of vessel acquisitions. The table below shows the periods for which the results of operations and cash flows for each vessel owning company are included in our Financial Statements.

VESSELS INCLUDED IN OUR FINANCIAL STATEMENTS AND ACQUISITION DATA

				Vessel included in Consolidated Financial Statements for the years ended December 31,		
Vessel	**Incorporation date of VOC***	**Date acquired by Capital Maritime**	**Date acquired by us**	**2013**	**2012**	**2011**
M/T Atlantas [1]	09/16/2003	04/26/2006	04/04/2007	X	X	X
M/T Assos [1] [2]	03/18/2004	05/17/2006	04/04/2007 & 08/16/2010	X	X	X
M/T Aktoras [1]	08/27/2003	07/12/2006	04/04/2007	X	X	X
M/T Agisilaos [1]	10/10/2003	08/16/2006	04/04/2007	X	X	X
M/T Arionas [1]	11/10/2003	11/02/2006	04/04/2007	X	X	X
M/T Avax [1]	02/10/2004	01/12/2007	04/04/2007	X	X	X
M/T Aiolos [1]	09/12/2003	03/02/2007	04/04/2007	X	X	X
M/T Axios [1]	02/10/2004	02/28/2007	04/04/2007	X	X	X
M/T Atrotos [3] [4]	02/11/2004	05/08/2007	05/08/2007 & 03/01/2010	X	X	X
M/T Akeraios [3]	02/03/2004	07/13/2007	07/13/2007	X	X	X
M/T Apostolos [3]	05/26/2004	09/20/2007	09/20/2007	X	X	X
M/T Anemos I [3]	07/08/2004	09/28/2007	09/28/2007	X	X	X
M/T Attikos [5] [9]	12/29/2003	01/20/2005	09/24/2007	-	Up to Feb 14	X
M/T Alexandros II [3]	02/07/2006	01/29/2008	01/29/2008	X	X	X
M/T Amore Mio II [5]	05/29/2007	07/31/2007	03/27/2008	X	X	X
M/T Aristofanis [5] [9]	02/03/2004	06/02/2005	04/30/2008	-	Up to Apr 4	X
M/T Aristotelis II [3]	02/07/2006	06/17/2008	06/17/2008	X	X	X
M/T Aris II [3]	01/24/2006	08/20/2008	08/20/2008	X	X	X
M/T Agamemnon II [2] [5] [11]	07/14/2006	11/24/2008	04/07/2009	Up to Nov 4	X	X
M/T Ayrton II [4] [5]	07/14/2006	04/10/2009	04/13/2009	X	X	X
M/T Alkiviadis [5]	06/22/2004	03/29/2006	06/30/2010	X	X	X
M/V Cape Agamemnon [6]	06/17/2008	01/25/2011	06/09/2011	X	X	X

VESSELS INCLUDED IN OUR FINANCIAL STATEMENTS AND ACQUISITION DATA						
				Vessel included in Consolidated Financial Statements for the years ended December 31,		
Vessel	Incorporation date of VOC*	Date acquired by Capital Maritime	Date acquired by us	2013	2012	2011
M/T Alexander the Great (7) (8)	01/26/2010	-	09/30/2011	-	Up to Dec 21	X
M/T Achilleas (7) (8)	01/26/2010	-	09/30/2011	-	Up to Dec 21	X
M/T Miltiadis M II (7)	04/06/2006	04/26/2006	09/30/2011	X	X	X
M/T Amoureux (7)	04/14/2010	-	09/30/2011	X	X	X
M/T Aias (7)	04/14/2010	-	09/30/2011	X	X	X
M/V Agamemnon (8)	04/19/2012	6/28/2012	12/22/2012	X	Since Dec 22	-
M/V Archimidis (8)	04/19/2012	6/22/2012	12/22/2012	X	Since Dec 22	-
M/V Hyundai Prestige (CCNI Angol) (10)	04/08/2011	02/19/2013	09/11/2013	Since Sep 11	-	-
M/V Hyundai Premium (CCNI Shanghai) (10)	04/08/2011	03/11/2013	03/20/2013	Since Mar 20	-	-
M/V Hyundai Paramount (10)	04/08/2011	03/27/2013	03/27/2013	Since Mar 27	-	-
M/V Hyundai Privilege (10)	04/08/2011	05/31/2013	09/11/2013	Since Sep 11	-	-
M/V Hyundai Platinum (10)	07/19/2011	06/14/2013	09/11/2013	Since Sep 11	-	-
M/T Aristotelis (12)	10/16/2013	-	11/28/2013	Since Nov 28	-	-

* VOC: Vessel Owning Company

(1) Initial Vessels. The Financial Statements have been retroactively adjusted to reflect their results of operations as of the incorporation date of the respective vessel owning companies.

(2) On April 7, 2009 the M/T Assos (which was part of our fleet at the time of the IPO) was exchanged for the M/T Agamemnon II. We subsequently re-acquired the M/T Assos from Capital Maritime on August 16, 2010.

(3) Committed Vessels. These vessels are newbuildings which were delivered directly to us from Capital Maritime on their delivery dates from the shipyards and had no prior operating history. As such, there is no information to retroactively restate that should be considered and the results of operations are presented in the Financial Statements since their delivery dates.

(4) On April 13, 2009 the M/T Atrotos (which was acquired from Capital Maritime in May 2007) was exchanged for the M/T Ayrton II. We subsequently re-acquired the M/T Atrotos from Capital Maritime on March 1, 2010.

(5) Non-Contracted Vessels. The Financial Statements have been retroactively adjusted to reflect their results of operations as of the incorporation date of the respective vessel owning companies (with the exception of M/T Assos for the period from April 17, 2009 to August 15, 2010).

(6) Our Financial Statements include the results of operations of the vessel owning of the M/V Cape Agamemnon and cash flows since the date of its acquisition by us on June 9, 2011.

(7) Our Financial Statements include:

- Results of operations and cash flows of Crude Carriers and its subsidiaries since the completion of the merger on September 30, 2011 in a unit-for-share transaction following which Crude Carriers became a wholly owned subsidiary of ours; and
- The statement of financial position of Crude Carriers and its subsidiaries as of the date of the completion of the merger after giving effect to Accounting Standard Codification (“ASC”) 805-30 “Business Combination” where all assets acquired and liabilities assumed (of Crude Carriers Corp. and its subsidiaries) were recorded at fair value.

(8) On December 22, 2012, we acquired the vessel owning companies of the M/V Archimidis and the M/V Agamemnon from Capital Maritime in exchange for the vessel owning companies of the M/T Alexander the Great and the M/T Achilleas, respectively.

(9) During the first half of 2012 we sold the M/T Attikos and the M/T Aristofanis, the two small tankers in our fleet, to unrelated third parties.

(10) During 2013 we acquired from Capital Maritime the vessel owning companies of five post-panamax container carrier vessels: the M/V CCNI Angol, the M/V Hyundai Premium, the M/V Hyundai Paramount, the M/V Hyundai Privilege and the M/V Hyundai Platinum.
(11) In November 2013 we sold the M/T Agamemnon II to unaffiliated third parties.
(12) In November 2013 we acquired the M/T Aristotelis from an unrelated third party.

- *Different Structure of Operating Expenses.* We have entered into three separate technical and commercial management agreements with Capital Ship Management for the management of our fleet and each vessel in our fleet is managed under the terms of one of these three agreements. Each agreement has a different structure of operating expenses. We expect that as the fixed fee management agreement expires for certain of our vessels, such vessels, and any additional acquisitions we make in the future, shall be managed under these floating fee management agreements. For a detailed description of the management agreements and the fees we pay our manager please read "Item 4: Business Overview—Our Management Agreements" above.

- *The Size of our Fleet Continues to Change.* As of the date of this Annual Report our fleet consisted of 30 vessels. At the time of our IPO in 2007, our fleet consisted of eight vessels and in January 2011 it had increased to 21 vessels. During 2011 we acquired a cape size vessel from Capital Maritime and also incorporated the five crude tanker vessels that were part of the Crude Carriers fleet prior to its merger with us in September 2011 into our fleet. During 2012 we exchanged two VLCCs we had acquired as part of the merger with Crude Carriers for two post-panamax container carrier vessels owned by Capital Maritime and sold the two small tankers in our fleet. During 2013 we acquired five post-panamax container carrier vessels owned by Capital Maritime. During 2013 we also acquired one 2013 built medium range product tanker and sold one 2008 built medium range product tanker, both to unaffiliated third parties. We intend to continue to evaluate potential acquisitions of vessels or other shipping businesses in a prudent manner that is accretive to our distributable cash flow per unit.

Results of Operations

Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

Results of operations for the years ended December 31, 2013 and December 31, 2012 differ primarily due to the increased size of our fleet following the acquisition of a number of container vessels, gains from bargain purchases in the acquisition of a number of container vessels from Capital Maritime, gains from the sale of the claim in OSG, losses related to the sale of one vessel to third parties, the increased indebtedness to partially finance the acquisition of a number of vessels, the close out of certain interest rate swap agreements and the larger number of vessels managed under our floating fee management agreement.

Total Revenues

Time, voyage and bareboat charter revenues amounted to approximately $171.5 million for the year ended December 31, 2013, as compared to $154.0 million for the year ended December 31, 2013. The increase of $17.5 million is primarily attributable to the increased number of vessels in our fleet. For the year ended December 31, 2013, $55.0 million of total revenues represented charter hire received from Capital Maritime as compared to $69.9 million of total revenues for the year ended December 31, 2012. The decrease of $14.9 million in charter hire received from Capital Maritime is mainly attributable to the 2012 Vessel Sale, where the two VLCCs that were sold to Capital Maritime were under time charter with Capital Maritime from January 1, 2012 until the date of their sale on December 21, 2012. Time, voyage and bareboat charter revenues are mainly comprised of the charter hire received from unaffiliated third-party customers and Capital Maritime and are affected by the number of days our vessels operate, the average number of vessels in our fleet and the charter rates. Please read "Item 4B: Business Overview—Our Fleet" and "—Our Charters" for information about the charters on our vessels, including daily charter rates.

Voyage Expenses

Voyage expenses amounted to $6.1 million for the year ended December 31, 2013, as compared to $5.7 million for the year ended December 31, 2012, primarily due to the higher number of vessels in our fleet.

Voyage expenses are direct expenses to voyage revenues and primarily consist of commissions, port expenses, canal dues and bunkers. Voyage costs, except for commissions, are paid for by the charterer under time and bareboat charters. Voyage costs under voyage charters are paid for by the owner.

Vessel Operating Expenses

For the year ended December 31, 2013, our vessel operating expenses amounted to approximately $55.3 million, of which $17.0 million was incurred under our management agreements with our manager and include $0.6 million in additional fees and costs relating to certain costs associated with the vetting of our vessels, repairs related to unforeseen extraordinary events (as defined in our fixed fee management agreement) and insurance deductibles.

For the year ended December 31, 2012, our vessel operating expenses amounted to approximately $45.8 million, of which $23.6 million was incurred under our management agreements with our manager and include $1.9 million in additional fees and costs relating to certain costs associated with the vetting of our vessels, repairs related to unforeseen extraordinary events (as defined in our fixed fee management agreement) and insurance deductibles.

Increases to vessel operating expenses are primarily attributable to increased costs due to the higher number of vessels in our fleet and the increased number of vessels managed under our floating fee management agreement.

General and Administrative Expenses

General and administrative expenses amounted to $9.5 million for the year ended December 31, 2013, as compared to $9.2 million for the year ended December 31, 2012. General and administrative expenses, which includes a non-cash item, related to our Omnibus Incentive Compensation Plan amounted to $3.5 million for the year ended December 31, 2013, as compared to $3.8 million for the year ended December 31, 2012, resulting from our Omnibus Incentive Compensation Plan becoming fully vested in August 2013. As of December 31, 2013, there were no incentive awards outstanding under the Plan. General and administrative expenses include board of directors' fees and expenses, audit fees, and other fees related to the expenses of the publicly traded partnership.

Gain on sale of vessels to third parties

During the year ended December 31, 2013, we sold the M/T Agamemnon II to unaffiliated third parties recognizing a loss on sale of vessel of $7.1 million. This loss reflects the difference between the carrying value of the vessels and the net selling proceeds at the time of the sale.

Depreciation and amortization

Depreciation and amortization of fixed assets amounted to $52.2 million for the year ended December 31, 2013, as compared to $48.2 million for the year ended December 31, 2012, primarily due to the higher number of vessels in our fleet as a result of the acquisition of the five post-panamax container vessels. Depreciation is expected to increase if the number of vessels in our fleet increases.

Vessels' impairment charge

Vessels' impairment charge amounted to $0.0 million for the year ended December 31, 2013, as compared to $43.2 million for the year ended December 31, 2012, primarily due to the difference between the carrying and the fair market value of the M/T Alexander the Great and the M/T Achilleas on the date they were exchanged for the M/V Archimidis and the M/V Agamemnon, respectively.

Please see Note 5 (Vessels) to our Financial Statements included herein for more information on the vessels' impairment charge.

Gain on sale of claim

Gain on sale of claim amounted to $31.4 million, attributable to the sale of our claim with OSG. Please read "Item 4A: History and Development of the Partnership—2013 Developments—OSG Bankruptcy and Assignment of Claims" and Note 16 (Gain on sale of claim) to our Financial Statements included herein for additional information.

Gain from Bargain Purchase

Gain from bargain purchase is attributable to the acquisition of the M/V Hyundai Premium, the M/V Hyundai Paramount, the M/V Hyundai Prestige (renamed to "CCNI Angol"), the M/V Hyundai Privilege and the M/V Hyundai Platinum, as the net identifiable assets acquired exceeded the purchase consideration paid by $42.3 million.

Total Other Expense, Net

Total other expense, net for the year ended December 31, 2013, was approximately $15.5 million as compared to $24.4 million for the year ended December 31, 2012.

The 2013 amount includes interest expense, amortization of financing charges, commitment fees and bank charges of $16.0 million, which was lower by $10.7 million than the respective 2012 amount mainly due to the expiration and close out of our remaining interest rate swap agreements. In addition the year ended December 31, 2012, reflects a gain of the 12 ineffective interest rate swap agreements of $1.5 million. Interest and other income amounted to $0.5 million as compared to $0.8 million for the year ended December 31, 2012.

Net Income / (Loss)

Net income for the year ended December 31, 2013, amounted to $99.5 million as compared to net loss of $21.2 million for the year ended December 31, 2012. For a list of factors which we believe are important to consider when evaluating our results, please refer to the discussion under "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors to Consider When Evaluating Our Results" and "—Results of Operations" above.

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

Results of operations for the years ended December 31, 2012 and December 31, 2011 differ primarily due to the full year results of operations of Crude Carriers into our Financial Statements, the repayment of debt of $175.2 million mainly through the proceeds from the issuance of our Class B units and the sale of our two small tankers, the expiration and the close out of certain interest rate swap agreements and the larger number of vessels managed under our floating fee management agreement as well as the impairment charge in relation to the disposal of two our vessels.

Total Revenues

Time, voyage and bareboat charter revenues amounted to approximately $154.0 million for the year ended December 31, 2012, as compared to $130.3 million for the year ended December 31, 2011. The increase of $23.7 million is primarily attributable to the increased number of vessels in our fleet following the full year consolidation of Crude Carriers' vessels in 2012 as compared to the year ended December 31, 2011 when the Crude Carriers vessels were operated only during the last three months of the year. For the year ended December 31, 2012, $69.9 million of total revenues represented charter hire received from Capital Maritime as compared to $31.8 million of total revenues for the year ended December 31, 2011. The increase of $38.1 million in charter hire received from Capital Maritime is attributable to the increased number of vessels in our fleet chartered with Capital Maritime for

the period. Time, voyage and bareboat charter revenues are mainly comprised of the charter hire received from unaffiliated third-party customers and Capital Maritime and are affected by the number of days our vessels operate, the average number of vessels in our fleet and the charter rates. Please read "Item 4B: Business Overview—Our Fleet" and "—Our Charters" for information about the charters on our vessels, including daily charter rates.

Voyage Expenses

Voyage expenses amounted to $5.7 million for the year ended December 31, 2012, as compared to $11.7 million for the year ended December 31, 2011. The lower voyage expenses for 2012 were primarily attributable to the decreased number of voyage charters compared to 2011.

Voyage expenses are direct expenses to voyage revenues and primarily consist of commissions, port expenses, canal dues and bunkers. Voyage costs, except for commissions, are paid for by the charterer under time and bareboat charters. Voyage costs under voyage charters are paid for by the owner.

Vessel Operating Expenses

For the year ended December 31, 2012, our vessel operating expenses amounted to approximately $45.8 million, of which $23.6 million was incurred under our management agreements with our manager and include $1.9 million in additional fees and costs relating to certain costs associated with the vetting of our vessels, repairs related to unforeseen extraordinary events (as defined in our fixed fee management agreement) and insurance deductibles.

For the year ended December 31, 2011, our vessel operating expenses amounted to approximately $35.5 million, of which $30.5 million was incurred under our management agreements with our manager and include $1.2 million in additional fees and costs relating to certain costs associated with the vetting of our vessels, repairs related to unforeseen extraordinary events (as defined in our fixed fee management agreement) and insurance deductibles.

Increases to vessel operating expenses are primarily attributable to increased costs due to the higher number of vessels in our fleet and the increased number of vessels managed under our floating fee management agreement.

General and Administrative Expenses

General and administrative expenses amounted to $9.2 million for the year ended December 31, 2012, as compared to $10.6 million for the year ended December 31, 2011. For the year ended December 31, 2012, without considering the expenses of $4.6 million incurred in connection with the preparation and execution of our acquisition of Crude Carriers during 2011 and the acquisition of the vessel owning company of the M/V Cape Agamemnon during 2011, we have recognized higher general and administrative expenses of $3.2 million mainly due to the full year results of operations of Crude Carriers' expenses, including its equity compensation plan. General and administrative expenses include board of directors' fees and expenses, audit fees, and other fees related to the expenses of the publicly traded partnership.

Gain on sale of vessels to third parties

During the year ended December 31, 2012 we sold the M/T Attikos and the M/T Aristofanis, the two small tankers in our fleet, to unrelated third parties recognizing a gain on sale of vessels of $1.3 million. This gain reflects the difference between the carrying value of the vessels and the net selling proceeds at the time of the sale.

Depreciation

Depreciation of fixed assets amounted to $48.2 million for the year ended December 31, 2012, as compared to $37.2 million for the year ended December 31, 2011, primarily due to the full year consolidation of Crude Carriers' vessels in our fleet. Depreciation is expected to increase if the number of vessels in our fleet increases.

Vessels' impairment charge

Vessels' impairment charge amounted to $43.2 million for the year ended December 31, 2012 and represents the difference between the carrying and the fair market value of the M/T Alexander the Great and the M/T Achilleas on the date they were exchanged for the M/V Archimidis and the M/V Agamemnon, respectively. There was no vessel impairment charge during the year ended December 31, 2011.

Please see Note 5 (Vessels) to our Financial Statements included herein for more information on the vessels' impairment charge.

Total Other Expense, Net

Total other expense, net for the year ended December 31, 2012, was approximately $24.4 million as compared to $30.6 million for the year ended December 31, 2011.

The 2012 amount includes interest expense, amortization of financing charges, commitment fees and bank charges of $26.7 million, which was lower by $7.1 million than the respective 2011 amount due to the prepayment of $175.2 million of debt and the expiration and close out of eleven interest rate swap agreements. In addition the year ended December 31, 2012, reflects a gain of the twelve ineffective interest rate swap agreements of $1.5 million as compared to $2.3 million for the year ended December 31, 2011. Interest and other income amounted to $0.8 million as compared to $0.9 million for the year ended December 31, 2011.

Net (Loss) / Income

Net loss for the year ended December 31, 2012, amounted to $21.2 million as compared to net income of $87.1 million for the year ended December 31, 2011. For a list of factors which we believe are important to consider when evaluating our results, please refer to the discussion under "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors to Consider When Evaluating Our Results" and "—Results of Operations" above.

B. Liquidity and Capital Resources

As at December 31, 2013, total cash and cash equivalents were $64.0 million, restricted cash was $15.0 million, and total liquidity including cash and undrawn long-term borrowings was $229.0 million As at December 31, 2012, total cash and cash equivalents were $43.6 million, restricted cash was $10.5 million, and total liquidity including cash and undrawn long-term borrowings was $109.5 million.

We anticipate that our primary sources of funds for our liquidity needs will be cash flows from operations. As our vessels come up for rechartering, depending on the prevailing market rates, we may not be able to recharter them at levels similar to their current charters which may affect our future cash flows from operations. Generally, our long-term sources of funds will be from cash from operations, long-term bank borrowings and other debt or equity financings. Because we distribute all of our available cash, we expect that we will rely upon external financing sources, including bank borrowings and the issuance of debt and equity securities, to fund acquisitions and expansion and investment capital expenditures, including opportunities we may pursue under the amended and restated omnibus agreement with Capital Maritime or acquisitions from third parties. We currently have no capital commitments to purchase or build additional vessels. However, as discussed above, we expect to continue to evaluate opportunities to acquire vessels and businesses and expect that the size and composition of our fleet will change over time. In connection with evaluating and pursuing these opportunities and as we seek to optimize our capital structure, we may also evaluate and pursue financing opportunities.

As at December 31, 2013, we had $150.0 million in undrawn amounts under our credit facilities as compared to $55.4 million in undrawn amounts as at December 31, 2012.

Total Partners' Capital as of December 31, 2013, amounted to $781.4 million, which reflects an increase of $207.6 million from the year ended December 31, 2012. This change consisted of:

- an increase of $119.8 and $72.6 million from the net proceeds from the issuance of the 13,685,000 common units and 9,100,000 Class B Units respectively;
- an increase of $3.5 million from our equity compensation plan;
- an increase of $0.4 million attributable to unrealized gain on derivative instruments;
- a decrease of $88.2 million attributable to our distributions to our unit holders; and
- an increase of $99.5 million reflecting our net income for the year ended December 31, 2013.

Notwithstanding the recent global economic downturn and subject to shipping, charter and financial market developments, we believe that our working capital will be sufficient to meet our existing liquidity needs for at least the next 12 months.

Cash Flows

The following table summarizes our cash and cash equivalents provided by / (used in) operating, financing and investing activities for the years presented in millions:

	2013	2012	2011
Net Cash Provided by Operating Activities	$ 129.6	$ 84.8	$ 56.5
Net Cash (Used in) / Provided by Investing Activities	$ (335.3)	$ 15.9	$ (16.7)
Net Cash Provided by / (Used in) by Financing Activities	$ 226.2	$ (110.6)	$ (19.0)

Net Cash Provided by Operating Activities

Net cash provided by operating activities increased to $129.6 million for the year ended December 31, 2013 from $84.8 million for the year ended December 31, 2012, mainly due to the proceeds of $32.0 million we received from the sale of OSG claim, the increased size of our fleet and the reduced interest costs due to the expiration of our remaining interest rate swap contracts. Net cash provided by operating activities increased to $84.8 million for the year ended December 31, 2012 from $56.5 million for the year ended December 31, 2011 due to the full year consolidation of Crude Carriers' vessels and the reduced interest costs due to the repayment of debt and the expiration of certain interest rate swap contracts. For an explanation of why our historical net cash provided by operating activities is not indicative of net cash provided by operating activities to be expected in future periods, please read "Item 5A: Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors to Consider when Evaluating our Results" and "—Results of Operations" above.

Net Cash (Used in) / Provided by Investing Activities

Cash is used primarily for vessel acquisitions and changes in net cash used in investing activities are primarily due to the number of vessels acquired in the relevant period. We expect to rely primarily upon external financing sources, including bank borrowings and the issuance of debt and equity securities as well as cash in order to fund any future vessels acquisitions or expansion and investment capital expenditures.

For the year ended December 31, 2013, net cash used in investing activities was $335.3 million and was comprised of:

- $363.0 million for the acquisition of the M/V Hyundai Premium, the M/V Hyundai Paramount, the M/V Hyundai Prestige (renamed to "CCNI Angol"), the M/V Hyundai Privilege, the M/V Hyundai Platinum and the M/T Aristotelis;
- $4.5 million, representing the increase to our restricted cash following the conversion of the 2008 credit facility to a term loan and the acquisition of five vessels. Restricted cash is the minimum amount of free cash we were required to maintain under our credit facilities for the period; and
- $32.2 million, representing the net proceeds from the sale of the M/T Agamemnon II.

For the year ended December 31, 2012, net cash provided by investing activities was $15.9 million and was comprised of:

- $21.3 million, of which $19.7 million represent the net proceeds from the sale of the M/T Attikos and the M/T Aristofanis to unrelated third parties and $1.6 million represent proceeds received in connection with the exchange of the M/T Alexander the Great for the M/V Archimidis;
- $3.8 million, representing the increase to our restricted cash following the conversion of the 2007 credit facility to a term loan. Restricted cash is the minimum amount of free cash we were required to maintain under our credit facilities for the period;
- $1.4 million, representing the cash consideration in connection with the exchange of the M/T Achilleas for the M/V Agamemnon; and
- $0.2 million, representing the amounts paid for upgrading certain vessels.

For the year ended December 31, 2011, net cash used in investing activities was $16.7 million and was comprised of:

- $27.0 million, primarily representing the amount we paid to Capital Maritime for the acquisition of the vessel owning company of the M/V Cape Agamemnon;
- $11.8 million, representing the cash and cash equivalents acquired in the acquisition of Crude Carriers at the time of the closing of the merger; and
- $1.5 million, representing the increase to our restricted cash which is the minimum amount of free cash we were required to maintain under our credit facilities for the period, due to the acquisitions of the M/V Cape Agamemnon and the five crude tankers of Crude Carriers.

Net Cash Provided by / (Used in) Financing Activities

Net cash provided by financing activities amounted to $226.2 million for the year ended December 31, 2013, as compared to net cash used in financing activities of $110.6 million for the year ended December 31, 2012. For the year ended December 31, 2011, net cash used in financing activities amounted to $19.0 million.

For the year ended December 31, 2013, we used net proceeds of $72.5 million from the sale and issuance of 9,100,000 Class B Units, combined with a drawdown of $54.0 million from our 2008 credit facility and part of our cash balances to finance the acquisition of the two 5,023 TEU container vessels from Capital Maritime for a total consideration of $130.0 million. We also used net proceeds of $119.9 million from the sale and issuance of 13,685,000 common units together with approximately $75.0 million from our 2013 credit facility, as amended, and part of our cash balances to acquire the three additional 5,023 TEU container vessels from Capital Maritime for an aggregate purchase price of $195.0 million.

For the year ended December 31, 2012, proceeds from the sale and issuance of our Class B Units amounted to $140.0 million. Total expenses paid in connection with the sale and issuance of Class B Units were $1.7 million. For the year ended December 31, 2011, proceeds from issuance of our units amounted to $1.5 million. This amount represents the cash contribution that our general partner made to us in order to maintain its 2% interest in us following the acquisition of the vessel owning company of the M/V Cape Agamemnon.

For the year ended December 31, 2013, total proceeds of long term debt amounted to $129.0 million and we repaid debt from our 2008 credit facility of $4.1 million. For the year ended December 31, 2012, there were no proceeds from the issuance of long term debt. During 2012 we pre-paid $175.2 million in debt in connection with the issuance and sale of the Class B Units, the sale of the M/T Attikos and the M/T Aristofanis, and the 2012 Vessel Sale. For the year ended December 31, 2011, proceeds from issuance of long term debt amounted to $159.6 million. This amount represents the draw downs of $134.6 and $25.0 million we made under the 2008 credit facility and 2011 credit facility, respectively. We used the $134.6 million to repay Crude Carriers' outstanding loan at the time of the completion of the acquisition and the $25.0 million for the partial finance of the acquisition of the shares of the vessel owning company of the M/V Cape Agamemnon.

There were no payments of related party-debt/financing for the year ended December 31, 2013, 2012 and 2011.

For each of the years ended December 31, 2013, 2012 and 2011 loan issuance costs amounted to $2.9, $0.3 and $0.3 million, respectively.

During the year ended December 31, 2013, we made distributions, including to our Class B unitholders and to Capital Maritime, of $88.2 million. During the year ended December 31, 2012, we made distributions, including to our Class B unitholders and to Capital Maritime, of $73.3 million. During the year ended December 31, 2011, we made distributions of $45.1 million to our common unitholders, including Capital Maritime.

Borrowings

Our long-term third party borrowings are reflected in our balance sheet as "Long-term debt" and as current liabilities in "Current portion of long-term debt." As of December 31, 2013, total borrowings was $583.3 million consisting of: (i) $250.9 million outstanding under the 2007 credit facility; (ii) $238.4 outstanding under the 2008 credit facility; (iii) $19.0 million outstanding under the 2011 credit facility and (iv) $75.0 million under the 2013 credit facility. As of December 31, 2012, total borrowings were $458.4 million consisting of: (i) $250.9 million outstanding under the 2007 credit facility; (ii) $188.5 outstanding under the 2008 credit facility and (iii) $19.0 million outstanding under the 2011 credit facility. As of December 31, 2013 long term debt was $577.9 million as compared to $458.4 million as of December 31, 2012. The current portion of long term debt as of December 31, 2013 was $5.4 million as compared to $0 million as of December 31, 2012.

Our Credit Facilities

We have entered into four non-amortizing credit facilities.

In March 2007, we entered into a loan agreement with a syndicate of financial institutions including HSH Nordbank AG for a revolving credit facility, of up to $370.0 million for the financing of the acquisition cost, or part thereof, of up to 15 MR product tankers. Following the sale of the M/T Attikos and the M/T Aristofanis during the first half of 2012 we repaid $20.5 million under this credit facility. In connection with the issuance and sale of our Class B Units, we prepaid $95.2 million and entered into an amendment which provides for the conversion of the 2007 credit facility into a term loan, the deferral of scheduled amortization payments until March 2016 and the repayment of the facility in six equal consecutive quarterly installments commencing in March 2016 plus a balloon payment due in June, 2017. The interest margin of this facility, as amended, is 2.0%.

In March 2008, we entered into a loan agreement with a syndicate of financial institutions including HSH Nordbank AG for a non-amortizing credit facility of up to $350.0 million for the partial financing of vessel acquisitions by us. In September 2011, following the acquisition of Crude Carriers, we completed the refinancing of Crude Carrier's outstanding debt of $134.6 million using this facility. In connection with the refinancing, the M/T Alexander the Great, the M/T Achilleas, the M/T Miltiadis M II, and the M/T Aias were added as collateral to the facility. In connection with the issuance and sale of our Class B Units, we prepaid $48.4 million and entered into an amendment which provides for the deferral of scheduled amortization payments until March 2016 and the repayment of the facility in nine equal consecutive quarterly installments commencing in March 2016 plus a balloon payment due in March 2018. In addition, an undrawn tranche of $52.5 million under the 2008 facility was cancelled. Following the 2012 Vessel Sale we prepaid an additional $5.2 million and the M/V Archimidis and the M/V Agamemnon replaced the M/T Alexander the Great and the M/T Achilleas as collateral under the facility. The interest margin of this facility, as amended, is 3.0%. Loan commitment fees are calculated at 0.325% per annum on any undrawn amount and are paid quarterly.

In June 2011, we entered into a loan agreement with Credit Agricole Emporiki Bank for a credit facility of $25.0 million to partially finance the acquisition of vessel owning company of the M/V Cape Agamemnon from Capital Maritime. In connection with the issuance and sale of our Class B Units, we prepaid $6.0 million and entered into an amendment which provides for the deferral of scheduled amortization payments until March 2016 and the repayment of the facility in nine equal consecutive quarterly installments commencing in March 2016 and a balloon payment due in March 2018.

On September 6, 2013, we entered into a new senior secured credit facility of up to $200.0 million led by ING Bank N.V. The facility is non-amortizing until March 2016, with a final maturity date in December 2020. The interest margin of this facility is 3.50%, with a commitment fee of 1.00%. The facility will be available for the funding of up to 50% of the charter free value of modern product tankers and post-panamax container vessels. Also in September 2013, we drew $75 million for the partial financing of three post-panamax container vessels. On December 27, 2013, the 2013 credit facility was amended to increase its size to up to $225.0 million. None of the other material terms of the credit facility were amended.

All our credit facilities contain customary ship finance covenants, including restrictions as to: changes in management and ownership of the mortgaged vessels, the incurrence of additional indebtedness, the mortgaging of vessels, the ratio of EBITDA to net interest expenses, which shall be no less than 2:1, a minimum cash requirement of $500,000 per vessel of which 50% may be constituted by undrawn commitments under the applicable credit facility, as well as the ratio of net total indebtedness to the aggregate market value of the total fleet, which shall not exceed 0.725:1. Our credit facilities also contain a collateral maintenance requirement according to which the aggregate average fair market value of the collateral vessels must be no less than 125% of the aggregate outstanding amount under these facilities. Furthermore, the vessel owning companies may pay dividends or make distributions when no event of default has occurred and the payment of such dividend or distribution has not resulted in a breach of any of the financial covenants. The credit facilities have a general assignment of the earnings, insurances and requisition compensation of the respective vessel or vessels. Each also requires additional security, including: pledge and charge on current account, corporate guarantee from each of the twenty-five vessel owning companies and mortgage interest insurance.

Our obligations under our credit facilities are secured by first-priority mortgages covering our vessels and are guaranteed by each vessel owning company. Our credit facilities contain a “Market Disruption Clause” requiring us to compensate the banks for any increases to their funding costs caused by disruptions to the market which the banks may unilaterally trigger. For the years ended December 31, 2013, 2012 and 2011 we incurred an additional interest expense in the amount of $0.0, $0.4 and $1.3 million, respectively, due to the “Market Disruption Clause”.

As at December 31, 2013, the amounts drawn down under our four credit facilities were as follows:

Vessel / Entity	Date	$370,000 Credit Facility	$350,000 Credit Facility	$25,000 Credit Facility	$225,000 Credit Facility
M/T Akeraios	07/13/2007	$ 46,850	$ —	$ —	$ —
M/T Apostolos	09/20/2007	56,000	—	—	—
M/T Anemos I	09/28/2007	56,000	—	—	—
M/T Alexandros II	01/29/2008	48,000	—	—	—
M/T Amore Mio II	03/27/2008	—	46,000	—	—
M/T Aristofanis	04/30/2008	—	11,500	—	—
M/T Aristotelis II	06/17/2008	20,000	—	—	—
M/T Aris II	08/20/2008	24,000	1,584	—	—
M/V Cape Agamemnon	06/09/2011	—	—	19,000	—
M/V Hyundai Premium	03/20/2013	—	24,975	—	—
M/V Hyundai Paramount	03/27/2013	—	24,975	—	—
M/V Hyundai Prestige, M/V Hyundai Privilege, M/V Hyundai Platinum	09/06/2013	—	—	—	75,000
Crude Carriers Corp. and its subsidiaries	09/30/2011	—	129,431	—	—
Total		**$ 250,850**	**$ 238,465**	**$ 19,000**	**$ 75,000**

As at December 31, 2013, we had $150 million in undrawn amounts under our credit facilities and were in compliance with all financial debt covenants. Our ability to comply with the covenants and restrictions contained in our credit facilities and any other debt instruments we may enter into in the future may be affected by events beyond

our control, including prevailing economic, financial and industry conditions, including interest rate developments, changes in the funding costs of our banks and changes in vessel earnings and vessel asset valuations. If market or other economic conditions deteriorate, our ability to comply with these covenants may be impaired. If we are in breach of any of the restrictions, covenants, ratios or tests in our credit facilities, we are unlikely to be able to make any distributions to our unitholders, a significant portion of our obligations may become immediately due and payable and our lenders' commitment to make further loans to us may terminate. We may not have, or be able to obtain, sufficient funds to make these accelerated payments. In addition, obligations under our credit facilities are secured by our vessels, and if we are unable to repay debt under the credit facilities, the lenders could seek to foreclose on those assets.

Furthermore, any contemplated vessel acquisitions will have to be at levels that do not impair the required ratios set out above. The recent global economic downturn has had an adverse effect on vessel values which is likely to persist if the economic slowdown resumes. If the estimated asset values of the vessels in our fleet continue to decrease, such decreases may limit the amounts we can draw down under our credit facilities to purchase additional vessels and our ability to expand our fleet. In addition, we may be obligated to prepay part of our outstanding debt in order to remain in compliance with the relevant covenants in our credit facilities. A decline in the market value of our vessels could also lead to a default under any prospective credit facility to which we become a party, affect our ability to refinance our credit facilities and/or limit our ability to obtain additional financing. An increase/decrease of 10% of the aggregate fair market values of our vessels would not cause any violation of the total indebtedness to aggregate market value covenant contained in our credit facilities.

C. Off-Balance Sheet Arrangements

As of the date of this Annual Report, we have not entered into any off-balance sheet arrangements.

D. Contractual Obligations and Contingencies

The following table summarizes our long-term contractual obligations as of December 31, 2013 (in thousands of U.S. Dollars).

		Payment due by period			
	Total	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Long-term Debt Obligations	$ 583,315	$ 5,400	$ 103,888	$ 416,334	$ 57,693
Interest Obligations (1)	99,670	17,699	45,915	27,742	8,314
Management fee (2)	36,295	10,983	15,469	7,687	2,156
Commercial services fee (3)	285	285	-	-	-
Total:	**$ 719,565**	**$ 34,367**	**$ 165,272**	**$ 451,763**	**$ 68,163**

(1) For our 2007, 2008, 2011 and 2013 credit facilities, calculations for interest obligations have been based on Bloomberg forward rates plus a margin of 2%, 3%, 3.25% and 3.5%, respectively, which reflects our best estimates.

(2) The fees payable to Capital Ship Management represent fees for the provision of commercial and technical services such as crewing, repairs and maintenance, insurance, stores, spares and lubricants, provided pursuant to our management agreements. Management fees under the floating fee and Crude Carriers management agreements have been increased annually based on the United States Consumer Price Index for November 2013.

(3) Represents commercial services fee equal to 1.25% on gross time charter revenues to be generated by the vessels managed under the Crude Carriers management agreement which were under long term time charters as of December 31, 2013.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations is based upon our Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amount of assets and liabilities, revenues and expenses and related disclosure of contingent assets and liabilities at the date of our financial statements. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting policies are those that reflect significant judgments or uncertainties, and potentially result in materially different results under different assumptions and conditions. We have described below what we believe are our most critical accounting policies that involve a higher degree of judgment and the methods of their application. For a description of all of our significant accounting policies, see Note 2 (Significant Accounting Policies) to our Financial Statements included herein for more information.

Vessel Lives and Impairment

The carrying value of each of our vessels represents its original cost (contract price plus initial expenditures) at the time of delivery or purchase less accumulated depreciation or impairment charges. The carrying values of our vessels may not represent their fair market value at any point in time since the market prices of second-hand vessels tend to fluctuate with changes in charter rates and the cost of newbuildings. However, in recent years, market conditions have changed significantly as a result of the credit crisis and resulting slowdown in world trade. Charter rates for vessels have decreased and vessel values have been affected. We consider these market developments as indicators of potential impairment of the carrying amount of our assets. We performed undiscounted cash flow tests as of December 31, 2013 and 2012, as an impairment analysis, in which we made estimates and assumptions relating to determining the projected undiscounted net operating cash flows by considering the following:

- the charter revenues from existing time charters for the fixed fleet days (our remaining charter agreement rates);
- vessel operating expenses;
- drydocking expenditures;
- an estimated gross daily time charter equivalent for the unfixed days (based on the 10-year average historical one year Time Charter Equivalent) over the remaining economic life of each vessel, excluding days of scheduled off-hires;
- residual value of vessels;
- fixed commercial and technical management fees, assuming an annual increase of 2%;
- a utilization rate of 98.6% based on the fleet's historical performance; and
- the remaining estimated life of our vessels.

Although we believe that the assumptions used to evaluate potential impairment are reasonable and appropriate, such assumptions are highly subjective. There can be no assurance as to how long charter rates and vessel values will remain at their currently low levels or whether they will improve by any significant degree. Charter rates may remain at depressed levels for some time which could adversely affect our revenue and profitability, and future assessments of vessel impairment.

Our assumptions consider historical trends and our accounting policies are as follows:

- in accordance with the prevailing industry standard, depreciation is calculated using an estimated useful life of 25 years for our vessels, commencing at the date the vessel was originally delivered from the shipyard;
- estimated useful life of vessels takes into account design life, commercial considerations and regulatory restrictions based on our fleet's historical performance;
- estimated charter rates are based on rates under existing vessel contracts and thereafter at market rates at which we expect we can recharter our vessels based on market trends;
- estimates of vessel utilization, including estimated off-hire time and the estimated amount of time our vessels may spend operating on the spot market, based on the historical experience of our fleet;
- estimates of operating expenses and drydocking expenditures are based on historical operating and drydocking costs based on the historical experience of our fleet and our expectations of future inflation and operating requirements;

- vessel residual values are a product of a vessel's lightweight tonnage and an estimated scrap rate of $180; and
- the remaining estimated lives of our vessels used in our estimates of future cash flows are consistent with those used in our depreciation calculations.

The impairment test that we conduct is most sensitive to variances in future time charter rates. Based on the sensitivity analysis performed for December 31, 2013, we would begin recording impairment on the first vessel that will incur impairment by vessel type for time charter declines from their 10 year historical averages as follows:

	Percentage Decline from which Impairment would be Recorded	
	Year ended December 31, 2013	Year ended December 31, 2012
Vessel		
Product tankers	21.2%	28.2%
Suezmax vessels	28.3%	30.2%
Cape vessel	-	70.2%
Container vessels (5,000 TEU)	37.8%	-

As of December 31, 2013 and February 18, 2014, our current rates for time charters on average were below their 10 year historical averages as follows:

	Time Charter Rates as Compared with 10-year Historical Average (as percentage above/(below))	
	As of December 31, 2013	As of February 18, 2014
Vessel		
Product tankers	(14.3)%	(14.2)%
Suezmax vessels	(32.7)%	(32.5)%
Container vessels (5,000 TEU)	39.8%	39.8%

Based on the above assumptions we determined that the undiscounted cash flows support the vessels' carrying amounts as of December 31, 2013 and 2012. The impairment of $43.2 million we recorded for the year ended December 31, 2012 was the result of the 2012 Vessel Sale.

Please also read "Item 4B: Business Overview — Comparison of Possible Excess of Carrying Value Over Estimated Charter-Free Market Value of Certain Vessels" above for additional information.

Interest Rate Swap Agreements

We designate our derivatives based upon the criteria established by the FASB in its accounting guidance for derivatives and hedging activities. The accounting guidance for derivatives requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The accounting for the changes in the fair value of the derivative depends on the intended use of the derivative and the resulting designation. For a derivative that does not qualify as a cash flow hedge, the change in fair value is recognized at the end of each accounting period in the income statement. For a derivative that qualifies as a cash flow hedge, the change in fair value is recognized at the end of each reporting period in accumulated other comprehensive income / (loss) (effective portion) until the hedged item is recognized in income. The ineffective portion of a derivative's change in fair value is immediately recognized in the income statement.

We discontinue cash flow hedge accounting if the hedging instrument expires, is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting or we revoke the designation. At that point in time, any cumulative gain or loss on the hedging instrument recognized in equity is kept in Partners' capital until the forecasted transaction occurs. When the forecasted transaction occurs, any cumulative gain or loss on the hedging instrument is recognized in profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in Partners' capital is transferred to net profit or loss for the year as financial income or expense.

We have not had any active interest rate swaps as of December 31, 2013.

Please see Note 2 (Significant Accounting Policies) and Note 8 (Financial Instruments) to our Financial Statements included herein for more detailed information.

Intangible assets

We record all identified tangible and intangible assets or any liabilities associated with the acquisition of a business at fair value. When a business is acquired that owns a vessel with an existing charter agreement, we determine the present value of the difference between: (i) the contractual charter rate and (ii) the prevailing market rate for a charter of equivalent duration. When determining present value we use Weighted Average Cost of Capital which includes judgments such as size and risks premiums and is appropriate in relation to the business, industry and environment in which we operate. The resulting above-market (assets) and below-market (liabilities) charters are amortized using straight line method as a reduction and increase, respectively, to revenues over the remaining term of the charters. In accordance with the guidance related to Accounting for the Impairment or Disposal of Long-Lived Assets, we evaluate the potential impairment of the identified acquired intangible assets when there are indicators of impairment. The identified intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of any asset may not be recoverable based on estimates of future undiscounted cash flows. In the event of impairment, the asset is written down to its fair value. An impairment loss, if any, is measured as the amount by which the carrying amount of the asset exceeds its fair value. No impairment loss was recognized during any period presented.

Recent accounting pronouncements

Please see Note 2(v) (Significant Accounting Policies—Recent Accounting Pronouncements) to our Financial Statements included herein.

Item 6. Directors, Senior Management and Employees.

Management of Capital Product Partners L.P.

Pursuant to our partnership agreement, our general partner has delegated to our board of directors the authority to oversee and direct our operations, management and policies on an exclusive basis, and such delegation is binding on any successor general partner of the partnership. Our general partner, Capital GP L.L.C., a Marshall Islands limited liability company wholly owned by Capital Maritime, manages our day-to-day activities consistent with the policies and procedures adopted by our board of directors.

Our board of directors initially consisted of seven persons, three persons who were designated by our general partner in its sole discretion and four who were elected by the common unitholders. Following the completion of our merger with Crude Carriers in September 2011, the size of our board has been increased to eight persons, with five to be elected by our common unitholders going forward. Following completion of the merger, Dimitris P. Christacopoulos was elected to our board of directors. Directors appointed by our general partner serve as directors for terms determined by our general partner and directors elected by our common unitholders are divided into three classes serving staggered three-year terms. The initial four directors appointed by Capital Maritime at the time of our IPO were designated as Class I, Class II and Class III elected directors. As of the 2010 annual meeting of unitholders, a majority of our board is now elected by our common unitholders (excluding common units held by Capital Maritime) rather than appointed by Capital Maritime. At each annual meeting of

unitholders, directors are elected to succeed the class of directors whose terms have expired by a plurality of the votes of the common unitholders (excluding common units held by Capital Maritime and its affiliates). Directors elected by our common unitholders may be nominated by the board of directors or by any limited partner or group of limited partners that holds at least 10% of the outstanding common units.

Our general partner intends to cause its officers to devote as much time to the management of our business and affairs as is necessary for the proper conduct of our business and affairs. Our general partner's Chief Executive Officer and Chief Financial Officer, Ioannis E. Lazaridis, allocates his time between managing our business and affairs and the business and affairs of Capital Maritime. The amount of time Mr. Lazaridis allocates between our business and the businesses of Capital Maritime varies from time to time depending on various circumstances and needs of the businesses, such as the relative levels of strategic activities of the businesses.

Our general partner owes a fiduciary duty to our unitholders and is liable, as general partner, for all of our debts (to the extent not paid from our assets), except for indebtedness or other obligations that are expressly non-recourse to it. Whenever possible, the partnership agreement directs that we should incur indebtedness or other obligations that are non-recourse to our general partner. Officers of our general partner and other individuals providing services to us or our subsidiaries may face a conflict regarding the allocation of their time between our business and the other business interests of Capital Maritime. Our partnership agreement limits our general partner's and our directors' fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors. Please read "Item 3D: Risk Factors—Our partnership agreement limits our general partner's and our directors' fiduciary duties to our unitholders and restricts the remedies available to unitholders for actions taken by our general partner or our directors." for a more detailed description of such limitations.

A. Directors and Senior Management

Set forth below are the names, ages and positions of our directors and director nominees and our general partner's executive officers as of January 31, 2014.

Name	Age	Position
Evangelos M. Marinakis (1)	46	Director and Chairman of the Board
Ioannis E. Lazaridis (1)	46	Director and Chief Executive Officer and Chief Financial Officer of our general partner
Nikolaos Syntychakis (1)	51	Director
Pierre de Demandolx-Dedons (2)	73	Director (5)
Abel Rasterhoff (3)	73	Director (5)
Evangelos G. Bairactaris (4)	42	Director and Secretary
Keith Forman (4)	55	Director (5)
Dimitris P. Christacopoulos (3)	43	Director (5)

(1) Appointed by our general partner (term expires in 2016).
(2) Class I director (term expires in 2014).
(3) Class II director (term expires in 2015).
(4) Class III director (term expires in 2016).
(5) Member of our audit committee and our conflicts committee.

Biographical information with respect to each of our directors, our director nominees and our general partner's executive officers is set forth below. The business address for our directors and executive officers is 3 Iassonos Street Piraeus, 18537 Greece.

Evangelos M. Marinakis, Director and Chairman of the Board.

Mr. Marinakis joined our board of directors on March 13, 2007 and serves as the Chairman of the Board. Mr. Marinakis has served as Capital Maritime's President and Chief Executive Officer and as a director since its incorporation in March 2005. Mr. Marinakis served as Chairman and Chief Executive Officer of New York Stock

Exchange (“NYSE”) listed Crude Carriers Corp., an affiliate of Capital Maritime, since March 2010 until its merger with us in September 2011. From 1992 to 2005, Mr. Marinakis was the Commercial Manager of Capital Ship Management and oversaw the businesses of the group of companies that currently form Capital Maritime. For the past 20 years, Mr. Marinakis has also been active in various other family businesses, all related to the shipping industry. Mr. Marinakis holds a B.A. in International Business Administration and an M.Sc in International Relations.

Ioannis E. Lazaridis, Director and Chief Executive and Chief Financial Officer.

Mr. Lazaridis has served as the Chief Executive and Chief Financial Officer of our general partner since its formation in January 2007 and joined our board of directors on March 13, 2007. Mr. Lazaridis served as President of NYSE-listed Crude Carriers Corp., an affiliate of Capital Maritime, since March 2010 until its merger with us in September 2011, and has also served as Capital Maritime’s Chief Financial Officer and as a director since its incorporation in March 2005. From 2004 to March 2005, Mr. Lazaridis was employed by our predecessor companies. From 1996 to 2004, Mr. Lazaridis was employed by Credit Agricole Indosuez Cheuvreux in London, where he worked in the equity department. From 1993 to 1996, Mr. Lazaridis was employed by Kleinwort Benson in equity sales and from 1990 to 1993 was employed by Norwich Union Investment Management. Mr. Lazaridis holds a B.A. degree in economics from the University of Thessaloniki in Greece and an M.A. in Finance from the University of Reading in the UK. He is also an Associate for the Institute of Investment Management and Research in the UK.

Evangelos G. Bairactaris, Director and Secretary.

Mr. Bairactaris joined our board of directors on March 13, 2007 and has served as our Secretary since our formation in January 2007. Mr. Bairactaris is a Greek attorney at law and a member of the Piraeus Bar Association. Mr. Bairactaris has been a partner in G.E. Bairactaris & Partners since 2000 and has acted as managing partner since 2003. He has regularly provided his professional services to our predecessor companies and many Greek and international shipping companies and banks. Mr. Bairactaris is currently a director of Hellenic Seaways Maritime S.A., one of the largest coastal passenger and cargo transportation services companies operating in Greece and Italy. The law firm of G.E. Bairactaris & Partners has provided, and may continue to provide, legal services to us and to Capital Maritime and its affiliates.

Nikolaos Syntychakis, Director.

Mr. Syntychakis joined our board of directors on April 3, 2007. Mr. Syntychakis, Managing Director of Capital Ship Management, joined Capital Ship Management in January 2001 where he has served as Vetting Manager, Crew Manager and Operations Manager. From 2000 to 2001, Mr. Syntychakis served as Fleet Operator of Delfi S.A. in Piraeus, Greece and from 1988 to 1999 he worked as the Chief Officer and DPA of Sougerka Maritime also in Piraeus, Greece. Mr. Syntychakis has been involved in the shipping industry in various capacities for over 25 years and has also been closely involved with vetting matters, serving on Intertanko’s Vetting Committee for several years.

Abel Rasterhoff, Director.

Mr. Rasterhoff joined our board of directors on April 3, 2007. He serves on our conflicts committee and has been designated as the audit committee’s financial expert. Mr. Rasterhoff joined Shell International Petroleum Maatschappij in 1967, and worked for various entities of the Shell group of companies until his retirement from Shell in 1997. From 1981 to 1984, Mr. Rasterhoff was Managing Director of Shell Tankers B.V., Vice Chairman and Chairman-elect of the Dutch Council of Shipping and a Member of the Dutch Government Advisory Committee on the North Sea. From 1991 to 1997, Mr. Rasterhoff was Director and Vice President Finance and Planning for Shell International Trading and Shipping Company Limited. During this period he also served as a Board Member of the Securities and Futures Authority (SFA) in London. From February 1998 to 2004, Mr. Rasterhoff has served as a member of the executive board and as Chief Financial Officer of TUI Nederland, the largest Dutch tour operator. From February 2001 to September 2001, Mr. Rasterhoff served as a member of the executive board and as Chief Financial Officer of Connexxion, the government owned public transport company. Mr. Rasterhoff was also on the Supervisory Board of SGR and served as an advisor to the trustees of the TUI Nederland Pension Fund.

Mr. Rasterhoff served on the Capital Maritime Board from May 2005 until his resignation in February 2007 as the chairman of the audit committee. Mr. Rasterhoff also served as a director and audit committee member of Aegean Marine Petroleum Network Inc., a company listed on the NYSE from December 2006 to May 2012. Mr. Rasterhoff holds a graduate business degree in economics from Groningen State University.

Keith Forman, Director.

Mr. Forman joined our board of directors on April 3, 2007 and serves on our conflicts committee and our audit committee. Mr. Forman was, until March 31, 2010, a Partner and served as Chief Financial Officer of Crestwood Midstream Partners. Crestwood Midstream was a private investment partnership focused on making equity investments in the midstream energy market. Crestwood's other partners included the Blackstone Group, Kayne Anderson and GSO Capital. From January 2004 to July 2005, he was Senior Vice President, Finance for El Paso Corporation, a leading provider of natural gas services. Mr. Forman, who joined El Paso in 1998 upon their acquisition of the general partner of the Leviathan Gas Pipeline Partners, also served as Vice President from 2001 to 2003, of El Paso Field Services and from 1992 to 2003 he served as Chief Financial Officer of GulfTerra Energy Partners L.P., a publicly traded master limited partnership. Mr. Forman has served as a Senior Advisor to Industry Funds Management, an Australian based fund manager that invests in infrastructure projects worldwide, since May 2012. Since November 2011, Mr. Forman has served as an independent director of NYSE-listed Rentech Nitrogen Partners, a publicly traded master limited partnership engaged in the manufacture of fertilizer products, where he serves on both the audit and conflict committees. Mr. Forman was appointed to the board of directors of Applied Consultants, Inc., a privately owned energy engineering consulting firm based in Longview, Texas in November 2013.

Pierre de Demandolx-Dedons, Director.

Mr. de Demandolx-Dedons joined our board of directors on November 15, 2011 and served on our conflicts committee and our audit committee. Mr. de Demandolx-Dedons has been involved in the shipping industry in various capacities for over forty years and since 1997 has been primarily a shipping consultant. From 1984 to 1997, Mr. de Demandolx-Dedons was employed by Groupe WORMS & Cie, a French financial, insurance and transportation company, where he held several positions in the organization, including Deputy General Manager of Cie Navale Worms (which became Compagnie Nationale De Navigation in 1986) and General Manager in charge of Finance—Tankers and Offshore, a position he held from 1991 to 1996. From 1986 to 2004, Mr. de Demandolx-Dedons was a member of the board of directors of UK P&I Clubs. Prior to this involvement, from 1975 to 1984, Mr. de Demandolx-Dedons was active in the French Shipowners' Association in Paris, serving as its Deputy General Manager from 1975 to 1977 and as its General Manager from 1977 to 1984. During this time he was active on the boards of ICS and ISF. From 1965 to 1975 he was a civil servant in the French Ports Authorities. He currently sits on a number of boards of directors both in Europe and the United States, including Seacor Holdings Inc., a company listed on the NYSE. Prior to joining our board of directors, Mr. de Demandolx-Dedons served as a director of Crude Carriers and Capital Maritime.

Dimitris P. Christacopoulos, Director.

Mr. Christacopoulos, joined our board of directors on September 30, 2011, following our merger with NYSE-listed Crude Carriers, where he had served as a director since 2010. Mr. Christacopoulos currently serves as a Partner at Octane Management Consultants. He started his professional career as an analyst in the R&D Department of a major food producer in Greece in 1992 before joining Booz Allen & Hamilton Consulting in 1995 in New York in their Operations Management Group. He subsequently joined Barclays Capital as the Associate Director for Strategic Planning in London from 1999 to 2002 at which time he became Director of Corporate Finance & Strategy at Aspis Group of Companies in Athens where he participated in the Group's Management and Investment Committees. In 2005, he joined Fortis Bank NV/SA as a Director in the Energy, Commodities and Transportation Group and until 2010 acted as the Deputy Country Head for Greece, setting up the bank's Greek branch and expanding its presence in ship and energy finance in the region. Mr. Christacopoulos has a diploma in chemical engineering from the National Technical University of Athens and an MBA from Columbia Business School in New York.

B. Compensation

Reimbursement of Expenses of Our General Partner

Our general partner does not receive any management fee or other compensation for managing us. Our general partner and its other affiliates are reimbursed for expenses incurred on our behalf. These expenses include all expenses necessary or appropriate for the conduct of our business and allocable to us, as determined by our general partner. Our general partner did not incur any such expenses prior to our IPO in April 2007.

Executive Compensation

We and our general partner were formed in January 2007. Neither we nor our general partner paid any compensation to our directors or our general partner's officers nor accrued any obligations with respect to management incentive or retirement benefits for our directors or our general partner's officers prior to April 3, 2007. Because our Chief Executive Officer and Chief Financial Officer, Mr. Lazaridis, is an employee of Capital Maritime, his compensation is set and paid by Capital Maritime, and we reimburse Capital Maritime for the cost of the provided services. We do not have a retirement plan for our executive officers or directors. Officers and employees of our general partner or its affiliates may participate in employee benefit plans and arrangements sponsored by Capital Maritime, our general partner or their affiliates, including plans that may be established in the future.

Compensation of Directors

Officers of our general partner or Capital Maritime who also serve as our directors do not receive additional compensation for their service as directors. Our directors receive compensation for attending meetings of our board of directors or committee meetings as well as for serving in the role of committee chair and have also received restricted units. Please also read "Item 6E: Share Ownership—Omnibus Incentive Compensation Plan" below for additional information. For the year ended December 31, 2013, our directors, including our chairman, received an aggregate amount of $530,000. In lieu of any other compensation, our chairman receives an annual fee for acting as a director and as the chairman of our board of directors. In addition, each director is reimbursed for out–of–pocket expenses in connection with attending meetings of the board of directors or committees and is fully indemnified by us for actions associated with being a director to the extent permitted under Marshall Islands law.

Services Agreement

Under a services agreement entered into between our general partner and Mr. Lazaridis, if a change in control occurs, Mr. Lazaridis may resign within six months of such change in control.

C. Board Practices

Our general partner, Capital GP L.L.C., manages our day-to-day activities consistent with the policies and procedures adopted by our board of directors which currently consists of eight members, three of which are appointed by our general partner. Unitholders are not entitled to elect the directors of our general partner or directly or indirectly participate in our management or operation. There are no service contracts between us and any of our directors providing for benefits upon termination of their employment or service.

Although the Nasdaq Global Market does not require a listed limited partnership like us to have a majority of independent directors on our board of directors or to establish a compensation committee or a nominating/corporate governance committee our board of directors has established an audit committee and a conflicts committee comprised solely of independent directors. Each of the committees operates under a written charter adopted by our board of directors which is available under "Corporate Governance" in the Investor Relations tab of our web site at www.capitalpplp.com. The membership and main functions of each committee are described below.

Audit Committee. The audit committee of our board of directors is composed of three or more independent directors, each of whom must meet the independence standards of the Nasdaq Global Market, the SEC and any other applicable laws and regulations governing independence from time to time. The audit committee is currently comprised of directors Abel Rasterhoff (chair), Pierre de Demandolx-Dedons, Keith Forman and Dimitris Christacopoulos. All members of the committee are financially literate and our board of directors has determined that Mr. Rasterhoff qualifies as an "audit committee financial expert" for purposes of the U.S. Sarbanes-Oxley Act of 2002. The audit committee, among other things, reviews our external financial reporting, engages our external auditors and oversees our internal audit activities and procedures and the adequacy of our internal accounting controls.

Conflicts Committee. The conflicts committee of our board of directors is composed of the same directors constituting the audit committee, being Keith Forman (chair), Abel Rasterhoff, Pierre de Demandolx-Dedons and Dimitris Christacopoulos. The members of our conflicts committee may not be officers or employees of our general partner or directors, officers or employees of its affiliates, and must meet the independence standards established by the Nasdaq Global Market to serve on an audit committee of a board of directors and certain other requirements. The conflicts committee reviews specific matters that the board believes may involve conflicts of interest and determines if the resolution of the conflict of interest is fair and reasonable to us. Any matters approved by the conflicts committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners, and not a breach by our directors, our general partner or its affiliates of any duties any of them may owe us or our unitholders.

D. Employees

We currently do not have our own executive officers or employees and expect to rely on the officers of our general partner to manage our day-to-day activities consistent with the policies and procedures adopted by our board of directors. All of the executive officers of our general partner and three of our directors also are executive officers, directors or affiliates of Capital Maritime.

E. Share Ownership

As of December 31, 2013:

- 795,200 restricted common units had been issued under our Plan (described below);
- 623,064 common units resulting from the conversion of Crude Carriers common shares had been issued under the Crude Plan at the time of our merger with Crude Carriers, including shares issued under the Crude Plan to our director Dimitris Christacopoulos when he was a member of the board of directors of Crude Carriers;
- Our director Keith Forman has owned a small number of common units since the date of our IPO. In addition, restricted common units were also issued to all members of our board of directors in August 2010 under the terms of our Plan (described below) which they may be deemed to beneficially own, or to have beneficially owned. The shares issued to our newly elected director Dimitris Christacopoulos when he was a member of the board of directors of Crude Carriers converted to common units in us in the same manner as all shares converted under the terms of our merger agreement. No member of our board of directors owns common or restricted units in a number representing more than 1.0% of our outstanding common units; and
- The Marinakis family, including our chairman Mr. Marinakis, through its beneficial ownership of Capital Maritime and Crude Carriers Investments, may be deemed to beneficially own, or to have beneficially owned, all of the units held by Capital Maritime and Crude Carriers Investments.

Omnibus Incentive Compensation Plan

On April 29, 2008, our board of directors adopted the Plan according to which we may issue a limited number of awards, not to exceed 500,000 units initially, to our employees, consultants, officers, directors or affiliates, including the employees, consultants, officers or directors of our general partner, our manager, Capital Maritime and certain key affiliates and other eligible persons. Awards may be made in the form of incentive stock options, non-qualified stock options, stock appreciation rights, dividend equivalent rights, restricted stock, unrestricted stock, restricted stock units and performance shares. The Plan is administered by our general partner as authorized by our board of directors.

On July 22, 2010, our board of directors amended the Plan to increase the aggregate number of restricted units issuable under the Plan to 800,000 from 500,000.

On August 31, 2010, we, either directly or through our general partner, issued 795,200 (or 2% of our total units outstanding as of December 31, 2010) of the 800,000 units authorized under the Plan. Awards were issued to all members of our board of directors, to officers of our general partner, our manager, Capital Maritime and to employees of certain key affiliates and other eligible persons, with the majority vesting three years from the date of issuance, except for awards issued to certain members of our board of directors which vest in equal annual installments over a three-year period.

On March 1, 2010, the board of directors of Crude Carriers adopted the Crude Plan according to which Crude Carriers may issue shares, not to exceed 400,000, to its employees, consultants, officers, directors or affiliates, amongst others and on August 31, 2010, 399,400 shares were issued. Except for awards issued to certain members of the Crude Carriers board at the time which vest in equal annual installments over a three-year period, the majority of the shares issued vest three years from the date of issuance.

At the time of the completion of our merger with Crude Carriers all common shares of Crude Carriers which had been previously issued under the Crude Plan converted to common units in us at an exchange ratio of 1.56, with the exception of common shares issued to the four independent members of the Crude board of directors who did not continue as members of our board of directors which vested immediately. Concurrently, we adopted the terms of the Crude Plan which governs such converted shares, the terms and conditions of which are substantially similar to the terms and conditions of our Plan and remained unchanged after the completion of the merger.

On August 31, 2013, the units previously issued pursuant to the Plan fully vested and as of December 31, 2013, there were no incentive awards outstanding under the Plan.

All awards issued under our Plan and the Crude Plan are conditional upon the grantee's continued service until the applicable vesting date and all awards accrue distributions payable upon vesting. Please read Note 14 (Omnibus Incentive Compensation Plan) to our Financial Statements included herein for more information.

Item 7. Major Unitholders and Related-Party Transactions.

As of December 31, 2013, our partners' capital consisted of 88,440,710 common units, of which 67,237,409 are owned by non-affiliated public unitholders, 18,922,221 Class B Units, no subordinated units and 1,765,457 general partner units. The Marinakis family, including Evangelos M. Marinakis, our chairman, may be deemed to beneficially own a 27.3% interest in us through its beneficial ownership, amongst others, of Capital Maritime, which owned a 21.5% interest in us, which includes 17,692,891 common units, 4,048,484 Class B Units and a 1.6% interest in us through its ownership of our general partner, and of Crude Carriers Investments, which owned a 3.0% interest in us.

A. Major Unitholders

The following table sets forth as of January 31, 2014, the beneficial ownership of our common units by each person we know beneficially owns more than 5.0% or more of our common units, and all of our directors, director nominees and the executive officers of our general partner as a group. The number of units beneficially owned by each person is determined under SEC rules and the information is not necessarily indicative of beneficial ownership for any other purpose. Under SEC rules a person beneficially owns any units as to which the person has or shares voting or investment power.

Name of Beneficial Owner	Number of Common Units Owned	Percentage of Total Common Units
Capital Maritime[1][2]	21,741,375	**23.5%**
Crude Carriers Investments[2]	3,284,210	**3.6%**
All executive officers and directors as a group (8 persons)[2][3]	0	**0%**
Kayne Anderson Capital Advisors, L.P.[4]	9,172,441	**10.8%**
Oaktree Capital Group Holdings GP, LLC and certain affiliated funds[5]	5,049,924	**6.9%**
Swank Capital, L.L.C.[6]	4,698,947	**5.4%**

(1) Excludes the 1.6% general partner interest held by our general partner, a wholly owned subsidiary of Capital Maritime.

(2) The Marinakis family, including our chairman Mr. Marinakis, through its ownership of Capital Maritime and Crude Carriers Investments, amongst others, may be deemed to beneficially own, or to have beneficially owned, all of the units held by Capital Maritime and Crude Carriers Investments.

(3) Our director Keith Forman has owned a small number of common units since the date of our IPO. In addition, restricted common units were also issued to all members of our board of directors in August 2010 under the terms of our Plan which they may be deemed to beneficially own, or to have beneficially owned. Our director Dimitris Christacopoulos owns a number of restricted common units in us, which resulted from the conversion of restricted shares in Crude Carriers into our common units at the time of our merger with Crude Carriers. Our chairman Mr. Marinakis and our Chief Executive and Chief Financial Officer Mr. Lazaridis own certain common units in us which resulted from the conversion of shares in Crude Carriers into our common units at the time of our merger with Crude Carriers. No member of our board of directors owns common or restricted units in a number representing more than 1% of our outstanding common units.

(4) This information is based on the Schedule 13G/A filed on February 10, 2014, by Kayne Anderson Capital Advisors, L.P. and Richard A. Kayne.

(5) This information is based on the Schedule 13G/A filed on February 7, 2014, by Oaktree Value Opportunities Fund, L.P., Oaktree Value Opportunities Fund Holdings, L.P., Oaktree Value Opportunities Fund GP, L.P., Oaktree Value Opportunities Fund GP Ltd., Oaktree FF Investment Fund, L.P., Oaktree FF Investment Fund GP, L.P., Oaktree FF Investment Fund GP Ltd., Oaktree Fund GP I, L.P., which, in its capacity as the sole shareholder of each of Oaktree Value Opportunities Fund GP Ltd. and Oaktree FF Investment Fund GP Ltd., itself reported beneficially owning 4,359,015 common units, representing 5.9% of our total common units, Oaktree Capital I, L.P., which, in its capacity as the general partner of Oaktree Fund GP I, L.P., itself reported beneficially owning 4,359,015 common units, representing 5.9% of our total common units, OCM Holdings I, LLC, which, in its capacity as the general partner of Oaktree Capital I, L.P., itself reported beneficially owning 4,359,015 common units, representing 5.9% of our total common units, Oaktree Holdings, LLC, which, in its capacity as the managing member of OCM Holdings I, LLC, itself reported beneficially owning 4,359,015 common units, representing 5.9% of our total common units, Oaktree-TCDRS Strategic Credit, LLC, Oaktree Capital Management, L.P., which, in its capacity as the duly appointed manager of Oaktree-TCDRS Strategic Credit, LLC and as the sole director of each of Oaktree Value Opportunities Fund GP Ltd. and Oaktree FF Investment Fund GP Ltd., itself reported beneficially owning 5,049,924 common units, representing 6.9% of our total common units, Oaktree Holdings, Inc., which, in its capacity as the general partner of Oaktree Capital Management, L.P., itself reported beneficially owning 5,049,924 common units, representing 6.9% of our total common units, Oaktree Capital Group, LLC, which, in its capacity as the managing member of Oaktree Holdings, LLC and as the sole shareholder of Oaktree Holdings, Inc., itself reported beneficially owning 5,049,924 common units, representing 6.9% of our total common units, and Oaktree Capital Group Holdings GP, LLC.

(6) This information is based on the Schedule 13G filed on February 14, 2014, by Swank Capital, L.L.C., Cushing MLP Asset Management, LP and Jerry V. Swank.

Our majority unitholders have the same voting rights as our other unitholders except that if at any time, any person or group, other than our general partner, its affiliates, including Capital Maritime, their transferees, and persons who acquired such units with the prior approval of our board of directors, owns beneficially 5% or more of any class of units then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, except for purposes of nominating a person for election to our board, determining the presence of a quorum or for other similar purposes under our partnership agreement, unless otherwise required by law. The voting rights of any such unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. We are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Partnership.

B. Related-Party Transactions

Capital Maritime's ability, as sole member of our general partner, to control the appointment of three of the eight members of our board of directors and to approve certain significant actions we may take as well as its ownership of 20.0% of our common units which it can vote in their totality on all matters that arise under the partnership agreement, means that Capital Maritime, together with its affiliates, will have the ability to exercise significant influence regarding our management and may be able to propose amendments to the partnership agreement that are in its best interest.

Transactions entered into during the year ended December 31, 2013

1. *Amended and Restated Management Agreements*. On May 9, 2013, and November 30, 2013, we amended and restated the fixed fee management agreement with Capital Ship Management in its entirety to reflect, among other things, the vessels covered by such agreement. Please read "Item 4B: Business Overview—Our Management Agreements" above for a detailed description of the terms of this management agreement.

2. *Equity Offering*. On August 5, 2013, we announced the issuance of 11,900,000 common units at a public offering price of $9.25 per common unit under our 2011 Form F-3. An additional 1,785,000 common units were subsequently sold on the same terms following the full exercise of the over-allotment option granted to the underwriters for the offering. Capital GP L.L.C., our general partner, participated in both the offering and the exercise of the over-allotment option and purchased 279,286 units at the public offering price, subsequently converting 349,700 common units into general partner units to maintain its 2% interest in us. Net proceeds, before expenses, relating to the offering were approximately $120.7 million.

3. *Acquisition of the M/V CCNI Angol (ex Hyundai Prestige), the M/V Hyundai Privilege and the M/V Hyundai Platinum from Capital Maritime*. The net proceeds from our common units offering in August 2013 were used toward acquiring three 5,023 TEU container vessels, the M/V CCNI Angol (ex Hyundai Prestige), the M/V Hyundai Privilege and the M/V Hyundai Platinum, from our sponsor Capital Maritime for an aggregate purchase price of $195.0 million. Each of these vessels was built in 2013 at Hyundai Heavy Industries. Co. Ltd. and each such vessel is employed under a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day. The charters commenced shortly after the delivery of the vessels to Capital Maritime during the first half of 2013. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

4. *Share Purchase Agreements for the acquisition of the vessel owning companies of each of the M/V Hyundai Premium and M/V Hyundai Paramount*. On March 20, and March 27, 2013, we entered into two share purchase agreements with Capital Maritime pursuant to which we acquired all of Capital Maritime's interests in the vessel owning companies that own each of the M/V Hyundai Premium and M/V Hyundai Paramount, respectively. The acquisition was funded by the net proceeds received from our issuance of Class B Units together with approximately $54 million from our existing credit facilities and part of our cash balances. Both the M/V Hyundai Premium and M/V Hyundai Paramount are 2013 built at Hyundai Heavy Industries Co. Ltd. The vessels were originally ordered by Capital Maritime and have secured a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors. Please see "Item 5B: Liquidity and Capital Resources—Net Cash (Used in) / Provided by Investing Activities" and Note 1 (Basis of Presentation and General Information) to our Financial Statements included herein for more information regarding this acquisition, including a detailed explanation of how it was accounted for.

5. *Subscription Agreement for Class B Units*. On March 15, 2013, we entered into a subscription agreement for the sale and issuance of 9.1 million of our Class B Units with certain investors, including Capital Maritime. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors of our board of directors. Pursuant to the

terms of the subscription agreement, Capital Maritime was issued 615,151 Class B Units, which are convertible at any time into our common units on a one-for-one basis. Please see "Item 4A: History and Development of the Partnership—2013 Developments" above for a detailed description of the issuance and sale of these Class B Units.

6. *Charter Party Agreements with Capital Maritime*. During 2013 each of the M/T Avax, M/T Axios, M/T Alkiviadis, M/T Akeraios, M/T Apostolos, M/T Agisilaos, M/T Anemos I, M/T Aristotelis, M/T Arionas, M/T Amoureux, M/T Aias and M/T Amore Mio entered into new or extended existing charter party agreements with Capital Maritime. Each of these charters were subject to 50/50 profit sharing arrangements for breaching IWL. In the case of the M/T Amoureux and M/T Aias, profit share arrangements are applicable on actual earnings settled every six months. These new charters/extensions were unanimously approved by the conflicts committee of independent directors of our board of directors. Please see "Item 4B: Business Overview —Our Fleet" and "—Our Charters" above for a detailed description of these charters, including earliest possible redelivery dates of the vessels and relevant charter rates.

7. *Investor Relations Services Agreement*. On January 1, 2013, we renewed our Investor Relations Agreement with Capital Ship Management to clarify the provisions under which certain investor relations and corporate support services to assist us in our communications with holders of units representing limited partnership interests in us shall be provided to us further to the provisions of the Administrative Services Agreement entered into with Capital Ship Management and subject to its terms. Under the terms of the agreement we pay Capital Ship Management a fixed monthly fee of $15,000 plus reimbursement of reasonable expenses. The agreement will be renewed annually on its terms unless we elect not to renew amendments to management agreements.

Transactions entered into during the year ended December 31, 2012

1. *Share Purchase Agreement – Exchange of M/T Alexander the Great with M/V Archimidis*. On December 22, 2012, the 2010 built M/T Alexander the Great was exchanged for the M/V Archimidis, a 7,943 TEU container carrier vessel built in 2006 at Daewoo Shipbuilding in South Korea and owned by Capital Maritime. Under the terms of the share purchase agreement all assets and liabilities of the vessel owning company of the M/V Archimidis, except the vessel, necessary permits and time charter agreement, were retained by Capital Maritime. Capital Maritime paid us $1,625,000, to reflect the value and longer duration of the charter attached to the vessel. Capital Maritime received all the shares of the vessel owning company of the M/T Alexander the Great and waived any compensation for the early termination of the vessel's charter. All assets and liabilities of the vessel owning company of the M/T Alexander the Great, except the vessel and necessary permits were retained by us. The vessel is managed under the floating fee management agreement. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors of our board of directors.

2. *Share Purchase Agreement – Exchange of M/T Achilleas with M/V Agamemnon*. On December 22, 2012, the 2010 built M/T Achilleas was exchanged for the M/V Agamemnon, a 7,943 TEU container carrier vessel built in 2007 at Daewoo Shipbuilding in South Korea and owned by Capital Maritime. Under the terms of the share purchase agreement all assets and liabilities of the vessel owning company of the M/V Agamemnon, except the vessel, necessary permits and time charter agreement, were retained by Capital Maritime. We paid Capital Maritime $1,375,000, to reflect the value and longer duration of the charter attached to the vessel. Capital Maritime received all the shares of the vessel owning company of the M/T Achilleas and waived any compensation for the early termination of the vessel's charter. All assets and liabilities of the vessel owning company of the M/T Achilleas, except the vessel and necessary permits were retained by us. The vessel is managed under the floating fee management agreement. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors of our board of directors.

3. *Subscription Agreements for Class B Units*. On May 11, 2012 and June 6, 2012, we entered into subscription agreements for the sale and issuance of our Class B Units with certain investors, including

Capital Maritime. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors of our board of directors. Pursuant to the terms of the subscription agreements, Capital Maritime was issued 3,433,333 Class B Units, which are convertible at any time into our common units on a one-for-one basis. Please see "Item 4A: History and Development of the Partnership" above for a detailed description of the issuance and sale of our Class B Units in 2012.

4. *Charter Party Agreements with Capital Maritime*. During 2012 each of the M/T Arionas, M/T Avax, M/T Axios, M/T Akeraios, M/T Agisilaos, M/T Apostolos, M/T Alkiviadis, M/T Miltiadis MII, M/T Aias and M/T Amoureux entered into new or extended existing charter party agreements with Capital Maritime. With the exception of the charter for the M/T Miltiadis MII, each of these charters were subject to 50/50 profit sharing arrangements for breaching IWL and were unanimously approved by the conflicts committee of independent directors of our board of directors. Please see "Item 4B: Business Overview—Our Fleet" and "—Our Charters" above for a detailed description of these charters, including earliest possible redelivery dates of the vessels and relevant charter rates.

5. *Amended and Restated Management Agreement*. On January 1, 2012, we amended and restated the fixed fee management agreement with Capital Ship Management in its entirety to reflect, amongst others, the vessels covered by such agreement. Please read "Item 4B: Business Overview—Our Management Agreements" above for a detailed description of the terms of this management agreement.

6. *Investor Relations Services Agreement*. On January 1, 2012, we entered into an Investor Relations Agreement with Capital Ship Management to clarify the provisions under which certain investor relations and corporate support services to assist us in our communications with holders of units representing limited partnership interests in us shall be provided to us further to the provisions of the Administrative Services Agreement entered into with Capital Ship Management and subject to its terms. Under the terms of the agreement we pay Capital Ship Management a fixed monthly fee of $15,000 plus reimbursement of reasonable expenses. The agreement will be renewed annually on its terms unless we elect not to renew.

Transactions entered into during the year ended December 31, 2011

1. *M/T Amore Mio II – Charter Party Agreement with Capital Maritime*. On December 18, 2011, the M/T Amore Mio II commenced its charter with Capital Maritime at a net daily charter rate of $18,022 per day for an 11-14 month period (+/- 30 days) with earliest redelivery expected in October 2012. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

2. *M/T Achilleas – Charter Party Agreement with Capital Maritime*. On November 20, 2011, we chartered the M/T Achilleas with Capital Maritime at a gross daily charter rate of $28,000 per day plus 50/50 profit share on actual earnings settled every 6 months for the first 12 months of its time charter to Capital Maritime. Capital Maritime has the option to extend the time charter employment for a second year at $34,000 per day and for a third year at $38,000 per day with the same profit share arrangements. The M/T Achilleas was delivered to Capital Maritime in January 2012. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

3. *M/T Alexander The Great – Charter Party Agreement with Capital Maritime*. On October 27, 2011, we chartered the M/T Alexander the Great with Capital Maritime at a gross daily charter rate of $28,000 per day plus 50/50 profit share on actual earnings settled every 6 months for the first 12 months of its time charter to Capital Maritime. Capital Maritime has the option to extend the time charter employment for a second year at $34,000 per day and for a third year at $38,000 per day with the same profit share arrangements. The M/T Alexander The Great was delivered to Capital Maritime in November 2011. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

4. *M/T Amoureux and M/T Aias – Charter Party Agreements with Capital Maritime*. On October 27, 2011, we chartered the M/T Amoureux and the M/T Aias with Capital Maritime at a gross daily charter rate of $20,000 per day plus 50/50 profit share on actual earnings settled every six months for the first 12 months of their time charter to Capital Maritime. Capital Maritime has the option to extend the time charter employment for a second year at $24,000 per day and for a third year at $28,000 per day with the same profit share arrangements. Both vessels were delivered to Capital Maritime during October and November 2011, respectively. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

5. *Amendment to Omnibus Agreement with Capital Maritime*. On September 30, 2011, we amended and restated the Omnibus Agreement with Capital Maritime, Capital GP L.L.C and Capital Product Operating L.L.C in connection with the Agreement and Plan of Merger dated as of May 5, 2011 which governs the manner in which certain future tanker business opportunities will be offered by Capital Maritime to us. Under the terms of the amended and restated omnibus agreement Capital Maritime and its controlled affiliates (other than us, our general partner and our subsidiaries) have agreed not to acquire, own or operate product or crude oil tankers with carrying capacity over 30,000 dwt under time or bareboat charters with a remaining duration, excluding any extension options, of at least 12 months at the earliest of the following dates: (a) the date the tanker to which such time or bareboat charter is attached is first acquired by Capital Maritime and its controlled affiliates and (b) the date on which a tanker owned by Capital Maritime or its controlled affiliates is put under such time or bareboat charter without the consent of our general partner or first offering such tanker vessel to us. Similarly, we may not acquire, own or operate product or crude oil tankers with carrying capacity under 30,000 dwt, other than vessels we had owned prior to the date of such amendment without first offering such tanker vessel to Capital Maritime. In addition, each of Capital Maritime and we have granted the other party a right of first offer on the transfer or rechartering of any vessels with carrying capacity over 30,000 dwt.

6. *M/T Agisilaos – Extension of Charter Party Agreement with Capital Maritime*. On July 25, 2011, we extended the charter of the M/T Agisilaos with Capital Maritime. The 12 month extension is fixed at a gross daily charter rate of $13,500 ($13,331 net) and the charter is subject to a profit sharing arrangement which allows each party to share, at a 50/50 percentage, additional revenues earned for breaching the Institute Warranty Limits. The earliest expected redelivery is June 2012.

7. *M/T Arionas – Extension of Charter Party Agreement with Capital Maritime*. On July 25, 2011, we extended the charter of the MT Arionas with Capital Maritime. The 12 month extension is fixed at a gross daily charter rate of $13,800 ($13,628 net) and the charter is subject to a profit sharing arrangement which allows each party to share, at a 50/50 percentage, additional revenues earned for breaching the Institute Warranty Limits. The earliest expected redelivery is September 2012.

8. *Share Purchase Agreement for the acquisition of the vessel owning company of the M/V Cape Agamemnon*. On June 9, 2011, we entered into a share purchase agreement with Capital Maritime pursuant to which we acquired all of Capital Maritime's interests in the vessel owning company that owns the M/V Cape Agamemnon. The acquisition was funded through $1.5 million from available cash and the incurrence of $25.0 million of debt under our 2011 credit facility and the remainder through the issuance of 6,958,000 common units to Capital Maritime. The M/V Cape Agamemnon, a 179,221 dwt, 2010 built dry cargo vessel built at Sungdong Shipbuilding & Marine Engineering Co., Ltd., South Korea is chartered to Cosco under a charter with an earliest scheduled expiration date of June 2020, as amended. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors. Please see "Item 5B: Liquidity and Capital Resources—Net Cash (Used in) / Provided by Investing Activities" and Note 1 (Basis of Presentation and General Information) to our Financial Statements included herein for more information regarding this acquisition, including a detailed explanation of how it was accounted for.

9. *Floating Rate Management Agreement with Capital Maritime*. On June 9, 2011, we entered into a floating fee management agreement with Capital Ship Management Corp. based on actual expenses with an initial term of five years. According to this agreement Capital Ship Management provides us commercial and technical services for a daily fee that is revised annually based on the United States

Consumer Price Index. We also reimburse our manager for all of its direct and indirect costs, expenses and liabilities incurred in providing the above services, including, but not limited to, crew, repairs and maintenance, insurance, stores, spares, lubricants and other operating costs. Under the terms of this management agreement the costs and expenses associated with a vessel's next scheduled drydocking are borne by us and not by our manager.

10. *Agreement and Plan of Merger Agreement with Crude Carriers*. On May 5, 2011, we entered into a definitive agreement to merge with Crude Carriers Corp. in a unit-for-share transaction whereby Crude would become a wholly owned subsidiary of ours. The exchange ratio was 1.56 CPLP units for each Crude Carriers share. Both we and Crude established Special Committees, consisting entirely of independent directors, to negotiate the terms of the merger agreement, and each of the Special Committees approved the transaction and recommended it to their respective boards of directors, which unanimously approved the transaction. In September 2011, we completed the merger with Crude, which was approved by 60.3%, of Crude's unaffiliated shareholders voting as a separate class, representing approximately 97.9% of the total votes cast, at a special shareholders' meeting. In connection with the merger, we issued an additional 24,967,240 common units to holders of Crude Carriers' shares, which includes 3,284,210 common units resulting from the conversion of Crude Carriers' Class B Shares owned by Crude Carriers Investments and 623,064 common units resulting from the conversion of common shares issued under the Crude Plan. We also approved the election of Dimitris Christacopoulos to our board of directors as a Class II Director. The conflicts committee retained independent legal and financial advisors to assist in evaluating the proposed transaction and the purchase price.

11. *Crude Carriers Corp. Management Agreement with Capital Ship Management*. On September 30, 2011, we completed our merger with Crude Carriers, whereby it became a wholly owned subsidiary of ours. The five crude tanker vessels we acquired as part of our merger with Crude Carriers are managed under a management agreement entered into in March 2010, as amended, with Capital Ship Management whose initial term will expire on December 31, 2020 and shall be automatically renewed for five-year periods if no notice of termination is given in the fourth quarter of the year immediately preceding the end of the initial term or any of its extensions. Under the terms of this management agreement we reimburse our manager for all of its direct and indirect costs, expenses and liabilities incurred in providing the above services, including, but not limited to, crew, repairs and maintenance, insurance, stores, spares, lubricants and other operating and administrative costs. In addition we pay our manager management fees based on the following components:

    a. Technical management fee at a per day daily fee to be updated on each anniversary following the Consumer Price Index;
    b. Sale & purchase fee equal to 1% of the gross purchase or sale price upon the consummation of any purchase or sale of a vessel by Crude Carriers; and
    c. Commercial services fee equal to 1.25% of all gross charter revenues generated by each vessel for commercial services rendered.

    In addition, the manager has the right to terminate the management agreement and, under certain circumstances, could receive substantial sums in connection with such termination; however, even if our board of directors or our unitholders are dissatisfied with the manager, there are limited circumstances under which we can terminate such management agreement. If the manager elects to terminate the management agreement, in accordance with the terms of the agreement a termination payment, which could be substantial, will be payable to the manager. This termination payment was initially set at $9.0 million and increases on each one-year anniversary during which the management agreement remains in effect (on a compounding basis) in accordance with the total percentage increase, if any, in the Consumer Price Index over the immediately preceding 12 months.

12. *M/T Avax – Charter Party Agreement with Capital Maritime*. On May 3, 2011, we chartered the M/T Avax with Capital Maritime at a gross daily charter rate of $14,000 for 12 months (+/-30 days). The charter is subject to a profit sharing arrangement which allows each party to share, at a 50/50 percentage, additional revenues earned for breaching the Institute Warranty Limits. The charter

commenced in May upon redelivery of the vessel from the previous charterer, and the earliest expected redelivery under the new charter is April 2012. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

13. *M/T Akeraios – Charter Party Agreement with Capital Maritime*. On May 3, 2011, we chartered the M/T Akeraios with Capital Maritime at a gross daily charter rate of $14,000 for 12 months (+/-30 days). The charter is subject to a profit sharing arrangement which allows each party to share, at a 50/50 percentage, additional revenues earned for breaching the International Warranty Limits. The charter commenced in July upon redelivery from the previous charterer, and the earliest expected redelivery under the charter is June 2012. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

14. *M/T Amore Mio II – Charter Party Agreement with Capital Maritime*. On January 7, 2011, we rechartered the M/T Amore Mio II with Capital Maritime at a net daily charter rate of $25,000 ($25,316.45 gross). The charter commenced directly upon the vessel's redelivery from its previous charter with BP Shipping Limited on January 9, 2011, and has an earliest scheduled expiration date of December 2011. The transaction was approved by our board of directors following approval by the conflicts committee of independent directors.

15. *Investor Relations Services Agreement*. On January 1, 2011, we entered into a one-year Investor Relations Agreement with Capital Ship Management to clarify the provisions under which certain investor relations and corporate support services to assist us in our communications with holders of units representing limited partnership interests in us shall be provided to us further to the provisions of the Administrative Services Agreement entered into with Capital Ship Management and subject to its terms. Under the terms of the agreement we pay Capital Ship Management a fixed monthly fee of $15,000 plus reimbursement of reasonable expenses.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information.

See Item 18 for additional information required to be disclosed under this Item 8.

Legal Proceedings

Although we or our subsidiaries may, from time to time, be involved in litigation and claims arising out of our operations in the normal course of business, we are not at present party to any legal proceedings and are not aware of any proceedings against us, or contemplated to be brought against us. We maintain insurance policies with insurers in amounts and with coverage and deductibles as our board of directors believes are reasonable and prudent. We expect that these claims would be covered by insurance, subject to customary deductibles. Those claims, even if lacking merit, could result in the expenditure of significant financial and managerial resources and regardless of the final outcome of any such proceedings could lead to significant reputational damage which could materially affect our business and operations.

Cash Distribution Policy

Rationale for Our Cash Distribution Policy

Our cash distribution policy reflects a basic judgment that our unitholders will be better served by our distributing our cash available (after deducting expenses, including estimated maintenance and replacement capital expenditures and reserves) rather than retaining it. Because we believe we will generally finance any expansion capital expenditures from external financing sources, we believe that our investors are best served by our distributing all of our available cash. Our cash distribution policy is consistent with the terms of our partnership

agreement, which requires that we distribute all of our available cash quarterly (after deducting expenses, including estimated maintenance and replacement capital expenditures and reserves and subject to the prior distribution rights of any holders of the Class B Units).

Limitations on Cash Distributions and Our Ability to Change Our Cash Distribution Policy

There is no guarantee that unitholders will receive quarterly distributions from us. In particular you should carefully consider the relevant risks included in "Item 3D: Risk Factors" included herein. Our distribution policy is subject to certain restrictions and may be changed at any time, including:

- Our unitholders have no contractual or other legal right to receive distributions other than the obligation under our partnership agreement to distribute available cash on a quarterly basis, which is subject to the broad discretion of our board of directors to establish reserves and other limitations.

- While our partnership agreement requires us to distribute all of our available cash, our partnership agreement, including provisions requiring us to make cash distributions contained therein, may be amended. The partnership agreement can be amended with the approval of a majority of the outstanding common units, of which the Marinakis family, including Evangelos M. Marinakis, may be deemed to beneficially own 27.3% through its beneficial ownership of Capital Maritime and Crude Carriers Investments.

- Even if our cash distribution policy is not modified or revoked, the amount of distributions we pay under our cash distribution policy and the decision to make any distribution is determined by our board of directors, taking into consideration the terms of our partnership agreement and the establishment of any reserves for the prudent conduct of our business.

- Under Section 51 of the MILPA, we may not make a distribution if the distribution would cause our liabilities (other than liabilities to partners on account of their partnership interest and liabilities for which the recourse of creditors is limited to specified property of ours) to exceed the fair value of our assets, except that the fair value of property that is subject to a liability for which the recourse of creditors is limited shall be included in our assets only to the extent that the fair value of that property exceeds that liability.

- Our common units are subject to the prior distribution rights of any holders of its preferred units then outstanding. As of the date of this Annual Report, there were 18,922,221 Class B Units issued and outstanding. Under the terms of our partnership agreement, we are prohibited from declaring and paying distributions on our common units until we declare and pay (or set aside for payment) full distributions on the Class B Units. Furthermore, pursuant to the terms of the Third Amendment to the Partnership Agreement, an upward adjustment to the distribution rate for the Class B Units occurs in the event the distribution rate on our common units is increased.

- We may lack sufficient cash to pay distributions on our common units due to decreases in net revenues or increases in operating expenses, principal and interest payments on outstanding debt, tax expenses, working capital requirements maintenance and replacement capital expenditures, anticipated cash needs or the payment of distributions on the Class B Units, which our partnership agreement requires us to pay prior to distributions on our common units.

- Our distribution policy will be affected by restrictions on distributions under our revolving credit facilities which contain material financial tests and covenants that must be satisfied. Should we be unable to satisfy these terms, covenants and restrictions included in our credit facilities or if we are otherwise in default under the credit agreements, our ability to make cash distributions to our unitholders, notwithstanding our stated cash distribution policy, would be materially adversely affected.

- If we make distributions out of capital surplus, as opposed to operating surplus, such distributions will constitute a return of capital and will result in a reduction in the quarterly distribution and the target distribution levels. We do not anticipate that we will make any distributions from capital surplus.

- If the ability of our subsidiaries to make any distribution to us is restricted by, among other things, the provisions of existing and future indebtedness, applicable partnership and limited liability company laws or any other laws and regulations, our ability to make distributions to our unitholders may be restricted.

Quarterly Common Distributions

Our common unitholders are entitled under our partnership agreement to receive a quarterly distribution to the extent we have sufficient cash on hand to pay the distribution after we establish cash reserves, pay fees and expenses and make distributions to Class B unitholders, which our partnership agreement requires us to pay prior to distributions on our common units. Although we intend to continue to make strategic acquisitions and to take advantage of our unique relationship with Capital Maritime in a prudent manner that is accretive to our unitholders and to long-term distribution growth, there is no guarantee that we will pay a quarterly distribution on the common units in any quarter. Even if our cash distribution policy is not modified or revoked, the amount of distributions paid under our policy and the decision to make any distribution is determined by our board of directors, taking into consideration the terms of our partnership agreement and other factors. We will be prohibited from making any distributions to unitholders if it would cause an event of default, or an event of default is existing, under the terms of our credit facilities.

We have generally declared distributions in January, April, July and October of each year and paid those distributions in the subsequent month. In January 2010, we introduced an annual distribution guidance of $0.90 per unit per annum, which was revised in July 2010 upwards to $0.93 per unit per annum, or $0.2325 per quarter. We made distributions on our common units in accordance with our guidance in November 2010, February 2011, May 2011, August 2011, November 2011, February 2012, May 2012, August 2012, November 2012, February 2013, May 2013, August 2013, November 2013 and February 2014.

Incentive Distribution Rights

Incentive distribution rights represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus (as defined in our partnership agreement) after the minimum quarterly distribution and the target distribution levels have been achieved. Our general partner currently holds the incentive distribution rights, but may transfer these rights separately from its general partner interest, subject to restrictions in the partnership agreement. Except for transfers of incentive distribution rights to an affiliate or another entity as part of our general partner's merger or consolidation with or into, or sale of substantially all of its assets to such entity, the approval of a majority of our common units (excluding common units held by our general partner and its affiliates), voting separately as a class, generally is required for a transfer of the incentive distribution rights to a third party prior to March 31, 2017. Any transfer by our general partner of the incentive distribution rights would not change the percentage allocations of quarterly distributions with respect to such rights.

Percentage Allocations of Available Cash From Operating Surplus

The following table illustrates the percentage allocations of the additional available cash from operating surplus, which is subject to the distribution rights of the holders of our Class B Units under our partnership agreement, among the unitholders and our general partner up to the various target distribution levels. The amounts set forth under "Marginal Percentage Interest in Distributions" are the percentage interests of the unitholders and our general partner in any available cash from operating surplus we distribute up to and including the corresponding amount in the column "Total Quarterly Distribution Target Amount", until available cash from operating surplus we distribute reaches the next target distribution level, if any. The percentage interests shown for the unitholders and our general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests shown for our general partner assume that our general partner maintains its 2% general partner interest and assume our general partner has not transferred the incentive distribution rights.

		Marginal Percentage Interest in Distributions	
	Total Quarterly Distribution Target Amount	**Unitholders**	**General Partner**
Minimum Quarterly Distribution	$0.3750	98%	2%
First Target Distribution	up to $0.4313	98%	2%
Second Target Distribution	above $0.4313 up to $0.4688	85%	15%
Third Target Distribution	above $0.4688 up to $0.5625	75%	25%
Thereafter	above $0.5625	50%	50%

B. Significant Changes

No significant changes have occurred since the date of our Financial Statements included herein except for those set out below:

On January 22, 2014, we declared a cash distribution of $0.2325 per common unit for the fourth quarter of 2013 which was paid on February 14, 2014 to unitholders of record on February 7, 2014.

On January 22, 2014, we declared a cash distribution of $0.21375 per Class B Unit for the fourth quarter of 2013, in line with our partnership agreement. The fourth quarter Class B Unit cash distribution was paid on February 10, 2014, to Class B unitholders of record on February 3, 2014.

Item 9. The Offer and Listing.

C. Markets

Our common units started trading on the Nasdaq Global Market under the symbol “CPLP” on March 30, 2007. The following table sets forth the high and low closing sales prices in U.S. Dollars for our common units for each of the periods indicated.

	High	Low
Year Ended: December 31,		
2013	10.57	6.81
2012	8.74	6.21
2011	11.32	4.89
2010	10.01	6.88
2009	11.21	5.23
Quarter Ended:		
December 31, 2013	10.57	8.24
September 30, 2013	9.97	8.61
June 30, 2013	9.48	8.13
March 31, 2013	8.28	6.81
December 31, 2012	8.21	6.21
September 30, 2012	8.21	7.55
June 30, 2012	8.74	6.45
March 31, 2012	8.12	6.42
December 31, 2011	7.13	5.71
September 30, 2011	9.30	4.89
June 30, 2011	11.32	7.88
March 31, 2011	10.61	9.35

	High	Low
Month Ended:		
January 31, 2014	10.54	10.00
December 31, 2013	10.57	8.82
November 30, 2013	9.21	8.40
October 31, 2013	9.36	8.24
September 30, 2013	9.09	8.72
August 31, 2013	9.69	8.61

Item 10. Additional Information.

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The information required to be disclosed under this Item 10B is incorporated by reference to the following sections of the prospectus included in our Registration Statement on Form F-1 filed with the SEC on March 19, 2007: "The Partnership Agreement", "Description of the Common Units — The Units", "Conflicts of Interest and Fiduciary Duties" and "Our Cash Distribution Policy and Restrictions on Distributions" and our Current Reports on Form 6-K and relevant Exhibits furnished to the SEC on May 23, 2012, June 6, 2012 and March 21, 2013.

C. Material Contracts

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which we or any of our subsidiaries are a party, for the two years immediately preceding the date of this Annual Report, each of which is included in the list of exhibits in Item 19.

Please read "Item 7B: Related-Party Transactions" above for transactions entered into with related parties as well as further details on certain of the transactions described below.

- Settlement Notice and Refund Modification dated December 18, 2013, with Deutsche Bank to provide, among other things, that if the six claims we filed against OSG and certain of its subsidiaries are allowed in an aggregate amount less than $43.25 million, the maximum aggregate amount that we are obligated to refund to Deutsche Bank is $643,750.

- Memorandum of Agreement dated October 17, 2013, with Orix Shipping Company Limited to sell the M/T Agamemnon II.

- Memorandum of Agreement dated October 16, 2013, with Goldilocks Maritime S.A. to acquire the M/T Aristarchos (renamed to "M/T Aristotelis"). The acquisition was funded with proceeds from the sale of the M/T Agamemnon II and approximately $6.2 million from our cash balances. The M/T Aristotelis is employed on a period time charter for $17,000 gross per day for 18-24 months with Capital Maritime.

- Loan Agreement with ING Bank N.V., HSH Nordbank AG, National Bank of Greece S.A. and Skandinaviska Enskilda Banken AB (publ). On September 6, 2013, we entered into a new senior secured credit facility of up to $200.0 million led by ING Bank N.V., which was amended and restated

on December 27, 2013, to increase its size to up to $225.0 million. None of the other material terms of the credit facility were amended. The facility is non-amortizing until March 2016, with a final maturity date in December 2020, and is priced at LIBOR plus 3.50%, with a commitment fee of 1.00%.

- Share Purchase Agreement dated August 9, 2013, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V CCNI Angol (ex Hyundai Prestige). The acquisition was funded partly through the issuance and sale of 13,685,000 common units. The M/V CCNI Angol (ex Hyundai Prestige) is employed under a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day, which commenced shortly after the delivery during the first half of 2013.

- Share Purchase Agreement dated August 9, 2013, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Hyundai Privilege. The acquisition was funded partly through the issuance and sale of 13,685,000 common units. The M/V Hyundai Privilege is employed under a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day, which commenced shortly after the delivery during the first half of 2013.

- Share Purchase Agreement dated August 9, 2013, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Hyundai Platinum. The acquisition was funded partly through the issuance and sale of 13,685,000 common units. The M/V Hyundai Platinum is employed under a 12 year time charter employment (+/- 60 days) to HMM at a gross rate of $29,350 per day, which commenced shortly after the delivery during the first half of 2013.

- Assignment of Claim Agreement dated June 24, 2013, with Deutsche Bank to transfer to Deutsche Bank all of our rights, title, interest, claims and causes of action in and to, or arising under or in connection with, our claims against Sifnos Tanker Corporation and OSG.

- Assignment of Claim Agreement dated June 24, 2013, with Deutsche Bank to transfer to Deutsche Bank all of our rights, title, interest, claims and causes of action in and to, or arising under or in connection with, our claims against Kimolos Tanker Corporation and OSG.

- Assignment of Claim Agreement dated June 24, 2013, with Deutsche Bank to transfer to Deutsche Bank all of our rights, title, interest, claims and causes of action in and to, or arising under or in connection with, our claims against Serifos Tanker Corporation and OSG.

- Share Purchase Agreement dated March 20, 2013, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Hyundai Premium. The acquisition was funded partly through the issuance and sale of the Class B units together with approximately $27.0 million from our existing credit facilities and part of our cash balances. The M/V Hyundai Premium is chartered to HMM under a 12 year time charter employment (+/- 60 days) at a gross rate of $29,350 per day.

- Share Purchase Agreement dated March 27, 2013, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Hyundai Paramount. The acquisition was funded partly through the issuance and sale of the Class B units together with approximately $27.0 million from our existing credit facilities and part of our cash balances. The M/V Hyundai Paramount is chartered to HMM under a 12 year time charter employment (+/- 60 days) at a gross rate of $29,350 per day.

- Amendment to Partnership Agreement dated March 19, 2013, in connection with the issuance and sale of our Class B Units, which amended the rights, preferences, privileges, duties and obligations of the Class B Units.

- Registration Rights Agreement dated March 19, 2013, between us and the purchasers named therein in connection with the issuance and sale of the Class B Units.

- Subscription Agreement dated March 15, 2013, between us and the purchasers named therein in connection with the issuance and sale of the Class B Units.

- Amendment to the 2008 credit facility replacing the M/T Alexander the Great and the M/T Achilleas as collateral under the facility with the M/V Agamemnon and the M/V Archimidis.

- Share Purchase Agreement dated December 22, 2012, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Archimidis in exchange for the interest in the vessel owning company of the M/T Alexander the Great. Capital Maritime also paid us $1,625,000, to reflect the value and longer duration of the charter attached to the vessel and waived any compensation for the early termination of the vessel's charter.

- Share Purchase Agreement dated December 22, 2012, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Agamemnon in exchange for the interest in the vessel owning company of the M/T Achilleas. We paid Capital Maritime $1,375,000, to reflect the value and longer duration of the charter attached to the vessel and Capital Maritime waived any compensation for the early termination of the vessel's charter.

- Subscription Agreement dated June 6, 2012, between us and the purchasers named therein in connection with the issuance and sale of the Class B Units.

- Registration Rights Agreement dated June 6, 2012, between us and Salient Midstream & MLP Fund in connection with the issuance and sale of the Class B Units.

- Registration Rights Agreement dated May 22, 2012, among us and the purchasers named therein in connection with the issuance and sale of the Class B Units.

- Amendment to Partnership Agreement dated May 22, 2012, in connection with the issuance and sale of our Class B Units, which established and sets forth the rights, preferences, privileges, duties and obligations of the Class B Units.

- Amendment to the 2011 credit facility dated May 21, 2012 in connection with the issuance and sale of our Class B Units, providing for a deferral of scheduled amortization payments until March 31, 2016.

- Amendment to 2008 credit facility dated May 21, 2012 in connection with the issuance and sale of our Class B Units, providing for a deferral of scheduled amortization payments until March 31, 2016, amending the interest margin and cancelling an undrawn tranche under the facility.

- Amendment to 2007 credit facility dated May 21, 2012 in connection with the issuance and sale of our Class B Units, providing for a deferral of scheduled amortization payment until March 31, 2016, the conversion of the facility into a term loan and amending the interest margin.

- Subscription Agreement dated May 11, 2012, between us and the purchasers named therein in connection with the issuance and sale of the Class B Units.

- Amendment to Partnership Agreement dated September 30, 2011, in connection with the Agreement and Plan of Merger dated as of May 5, 2011. The Amendment increases the size of our board of directors by one, from seven to eight, and includes certain other changes being made pursuant to the Merger Agreement.

- Amendment and Restatement of Omnibus Agreement. On September 30, 2011, we amended and restated the Omnibus Agreement between us and Capital Maritime, in connection with the Agreement and Plan of Merger dated as of May 5, 2011. The amendment limits our ability to acquire, own or operate certain product or crude oil tankers based on carrying capacity and the remaining duration of their charters, and includes certain other changes being made pursuant to the Merger Agreement.

- Loan Agreement with Credit Agricole Emporiki Bank. On June 9, 2011, we entered into a new $25.0 million credit facility provided by Credit Agricole Emporiki Bank in connection with the acquisition of the vessel owning company of the M/V Cape Agamemnon from Capital Maritime. The full amount available under the facility was drawn down to finance part of the acquisition cost of the vessel. The new facility is non-amortizing until March 2013 and is priced at LIBOR plus 3.25%.

- Share Purchase Agreement dated June 9, 2011, with Capital Maritime to acquire all of its interest in the vessel owning company of the M/V Cape Agamemnon. The acquisition was funded partly through the issuance of 6,958,000 common units to Capital Maritime and the remainder through the incurrence of $25.0 million of debt under our 2011 credit facility. We also paid $1.5 million to Capital Maritime as part of the consideration for the acquisition which was contributed by our general partner to us in exchange for 142,000 general partner units in order for it to maintain its 2% interest in us. The M/V Cape Agamemnon is chartered to Cosco under a charter, as amended, with an earliest scheduled expiration date of June 2020.

- Agreement and Plan of Merger dated May 5, 2011, with Crude Carriers Corp, amongst others, to merge with Crude Carriers in a unit-for-share transaction whereby Crude Carriers would become a wholly owned subsidiary of ours. The exchange ratio was 1.56 CPLP units for each Crude Carriers share, which equated to a value of $17.58 per Crude share based on CPLP's closing unit price of $11.27 on May 4, 2011. The transaction was approved by a special meeting of shareholders of Crude Carriers and consummated in September 2011.

D. Exchange Controls and Other Limitations Affecting Unitholders

We are not aware of any governmental laws, decrees or regulations, including foreign exchange controls, in the Republic of The Marshall Islands that restrict the export or import of capital, or that affect the remittance of dividends, interest or other payments to non-resident holders of our securities. We are not aware of any limitations on the right of non-resident or foreign owners to hold or vote our securities imposed by the laws of the Republic of The Marshall Islands or our partnership agreement.

E. Taxation

Marshall Islands Taxation

The following is a discussion of the material Marshall Islands tax consequences of our activities to unitholders who do not reside in, maintain offices in or engage in business in The Marshall Islands ("non-resident holders"). Because we, our operating subsidiary and our controlled affiliates do not, and we do not expect that we, our operating subsidiary and our controlled affiliates will, conduct business or operations in The Marshall Islands, under current Marshall Islands law non-resident holders of our securities will not be subject to Marshall Islands taxation or withholding on distributions, including upon a return of capital, we make to such non-resident holders. In addition, non-resident holders will not be subject to Marshall Islands stamp, capital gains or other taxes on the purchase, ownership or disposition of our securities, and will not be required by the Republic of The Marshall Islands to file a tax return relating to such securities.

Taxation of the Partnership

Because we, our operating subsidiary and our controlled affiliates do not, and we do not expect that we, our operating subsidiary and our controlled affiliates will conduct business or operations in The Marshall Islands, under current Marshall Islands law neither we nor our controlled affiliates will be subject to income, capital gains, profits or other taxation. As a result, distributions by our operating subsidiary and our controlled affiliates to us will not be subject to Marshall Islands taxation.

Material United States Federal Income Tax Considerations

The following is a discussion of the material U.S. federal income tax considerations that may be relevant to current and prospective common unitholders. This discussion is based upon provisions of the Code, Treasury Regulations, and current administrative rulings and court decisions, all as currently in effect or existence on the date of this Annual Report and all of which are subject to change, possibly with retroactive effect. Changes in these authorities may cause the tax consequences to vary substantially from the consequences described below.

The following discussion applies only to beneficial owners of our common units that own such units as "capital assets" (generally, for investment purposes) and does not comment on all aspects of U.S. federal income taxation which may be important to particular common unitholders in light of their individual circumstances, such as unitholders subject to special tax rules (e.g., financial institutions, insurance companies, broker-dealers, tax-exempt organizations, or former citizens or long-term residents of the United States), persons that will hold the common units as part of a straddle, hedge, conversion, constructive sale, wash sale or other integrated transaction for U.S. federal income tax purposes, persons that own (actually or constructively) 10.0% or more of the total combined voting power of all classes of our units entitled to vote, or U.S. Holders (as defined below) that have a functional currency other than the U.S. dollar, all of whom may be subject to tax rules that differ significantly from those summarized below. If a partnership or other entity classified as a partnership for U.S. federal income tax purposes holds our common units, the tax treatment of a partner thereof will generally depend upon the status of the partner and upon the tax treatment of the partnership. If you are a partner in a partnership holding our common units, you should consult your tax advisor.

No ruling has been or will be requested from the IRS regarding any matter affecting us or our common unitholders. The statements made here may not be sustained by a court if contested by the IRS.

This discussion does not contain information regarding any U.S. state or local, estate or alternative minimum tax considerations concerning the ownership or disposition of our common units. Each common unitholder is urged to consult its tax advisor regarding the U.S. federal, state, local and other tax consequences of the ownership or disposition of our common units.

Election to be Taxed as a Corporation

We have elected to be taxed as a corporation for U.S. federal income tax purposes. As such, among other consequences, U.S. Holders (as defined below) will, subject to the discussion of certain rules relating to PFICs below (please see "Item 10E: Taxation—Material United States Federal Income Tax Considerations—PFIC Status and Significant Tax Consequences"), generally not directly be subject to U.S. federal income tax on our income, but rather will be subject to U.S. federal income tax on distributions received from us and dispositions of common units, as described below. As a corporation, we may be subject to U.S. federal income tax on our income as discussed below. Additionally, distributions from us to common unitholders will generally be reported on Internal Revenue Service Form 1099-DIV.

Taxation of Operating Income

We expect that substantially all of our gross income will continue to be attributable to the transportation of crude oil and related oil products as well as dry cargo and containerized goods. For this purpose, gross income attributable to transportation (or "Transportation Income") includes income derived from, or in connection with, the use (or hiring or leasing for use) of a vessel to transport cargo, or the performance of services directly related to the use of any vessel to transport cargo, and thus includes spot charter, time charter and bareboat charter income.

Transportation Income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States (or "U.S. Source International Transportation Income") will be considered to be 50% derived from sources within the United States. Transportation Income attributable to transportation that both begins and ends in the United States (or "U.S. Source Domestic Transportation Income") will be considered to be 100% derived from sources within the United States. Transportation Income attributable to transportation exclusively between non-U.S. destinations will be considered to be 100% derived from sources outside the United States. Transportation Income derived from sources outside the United States generally will not be subject to U.S. federal income tax.

Based on our current operations, we do not expect to have U.S. Source Domestic Transportation Income. However, certain of our activities give rise to U.S. Source International Transportation Income, and future expansion of our operations could result in an increase in the amount of U.S. Source International Transportation Income, as well as give rise to U.S. Source Domestic Transportation Income, all of which could be subject to U.S. federal income taxation unless exempt from U.S. taxation under Section 883 of the Code (or the "Section 883 Exemption"), as discussed below.

The Section 883 Exemption

In general, the Section 883 Exemption provides that if a non-U.S. corporation satisfies the requirements of Section 883 of the Code and the Treasury Regulations thereunder (the "Section 883 Regulations"), it will not be subject to the net basis and branch profits taxes or the 4% gross basis tax described below on its U.S. Source International Transportation Income. The Section 883 Exemption applies to U.S. Source International Transportation Income and other forms of related income, such as gain from the sale of a vessel. As discussed below, we believe that under our current ownership structure, the Section 883 Exemption will apply and we will not be taxed on our U.S. Source International Transportation Income. The Section 883 Exemption does not apply to U.S. Source Domestic Transportation Income.

We will qualify for the Section 883 Exemption if, among other matters, we meet the following three requirements:

- We are organized in a jurisdiction outside the United States that grants an equivalent exemption from tax to corporations organized in the United States (an "Equivalent Exemption");
- We satisfy the "Publicly Traded Test" (as described below); and
- We meet certain substantiation, reporting and other requirements.

The Publicly Traded Test requires that the stock of a non-U.S. corporation be "primarily and regularly traded" on an established securities market either in the United States or in a jurisdiction outside the United States that grants an Equivalent Exemption. The Section 883 Regulations provide, in pertinent part, that equity interests in a non-U.S. corporation will be considered to be "primarily traded" on an established securities market in a given country if the number of units of each class of equity relied upon to meet the "regularly traded" test that are traded during any taxable year on all established securities markets in that country exceeds the number of units in each such class that are traded during that year on established securities markets in any other single country. Equity of a non-U.S. corporation will be considered to be "regularly traded" on an established securities market under the Section 883 Regulations if one or more classes of equity of the corporation that, in the aggregate, represent more than 50% of the total combined voting power and value of the non-U.S. corporation are listed on such market and certain trading volume requirements are met or deemed met as described below. For this purpose, if one or more "5% unitholders" (i.e., a unitholder holding, actually or constructively, at least 5% of the vote and value of a class of equity) own in the aggregate 50% or more of the vote and value of a class of equity (the "Closely Held Block"), such class of equity will not be counted towards meeting the "primarily and regularly traded" test (the "Closely Held Block Exception").

We are organized under the laws of the Republic of The Marshall Islands. The U.S. Treasury Department has recognized the Republic of The Marshall Islands as a jurisdiction that grants an Equivalent Exemption. Consequently, our U.S. Source International Transportation Income (including, for this purpose, (i) any such income earned by our subsidiaries that have properly elected to be treated as partnerships or disregarded as entities separate from us for U.S. federal income tax purposes and (ii) any such income earned by subsidiaries that are corporations for U.S. federal income tax purposes, are organized in a jurisdiction that grants an Equivalent Exemption and whose outstanding stock is owned 50% or more by value by us) will be exempt from U.S. federal income taxation provided we meet the Publicly Traded Test. In addition, since our common units are only traded on the Nasdaq Global Market, which is considered to be an established securities market, our common units will be deemed to be "primarily traded" on an established securities market.

We believe we meet the trading volume requirements of the Section 883 Exemption because the pertinent regulations provide that trading volume requirements will be deemed to be met with respect to a class of equity traded on an established securities market in the United States where, as will be the case for our common units, the units are regularly quoted by dealers who regularly and actively make offers, purchases and sales of such units to unrelated persons in the ordinary course of business. Additionally, the pertinent regulations also provide that a class of equity will be considered to be "regularly traded" on an established securities market if (i) such class of stock is listed on such market; (ii) such class of stock is traded on such market, other than in minimal quantities, on at least 60 days during the taxable year or one sixth of the days in a short taxable year and (iii) the aggregate number of shares of such class of stock traded on such market during the taxable year is at least 10% of the average number of shares of such class of stock outstanding during such year, or as appropriately adjusted in the case of a short taxable year. We believe that trading of our common units has satisfied these conditions in the past, and we expect that such conditions will continue to be satisfied. Finally, we believe that our common units represent more than 50% of our voting power and value and accordingly we believe that our units should be considered to be "regularly traded" on an established securities market.

These conclusions, however, are based upon legal authorities that do not expressly contemplate an organizational structure such as ours. In particular, although we have elected to be treated as a corporation for U.S. federal income tax purposes, for corporate law purposes we are organized as a limited partnership under Marshall Islands law and our general partner is responsible for managing our business and affairs and has been granted certain veto rights over decisions of our board of directors. Accordingly, it is possible that the IRS could assert that our units do not meet the "regularly traded" test.

We expect that our units will not lose eligibility for the Section 883 Exemption as a result of the Closely Held Block Exception, because our partnership agreement provides that the voting rights of any 5% unitholders (other than our general partner and its affiliates, their transferees and persons who acquired such units with the approval of our board of directors) are limited to a 4.9% voting interest in us regardless of how many common units are held by that 5% unitholder. (The voting rights of any such unitholders in excess of 4.9% will be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote). If Capital Maritime and our general partner own 50% or more of our common units, they will provide the necessary documents to establish an exception to the application of the Closely Held Block Exception. This exception is available when shareholders residing in a jurisdiction granting an Equivalent Exemption and meeting certain other requirements own sufficient shares in the Closely Held Block to preclude shareholders who have not met such requirements from owning 50% or more of the outstanding class of equity relied upon to satisfy the Publicly Traded Test.

Thus, although the matter is not free from doubt, we believe that we will satisfy the Publicly Traded Test. Should any of the facts described above cease to be correct, our ability to satisfy the test will be compromised.

Taxation of Operating Income in the Absence of the Section 883 Exemption

If we earn U.S. Source International Transportation Income and the Section 883 Exemption does not apply, the U.S. source portion of such income may be treated as effectively connected with the conduct of a trade or business in the United States (or "Effectively Connected Income") if we have a fixed place of business in the United States and substantially all of our U.S. Source International Transportation Income is attributable to regularly scheduled transportation or, in the case of bareboat charter income, is attributable to a fixed place of business in the United States. Based on our current operations, none of our potential U.S. Source International Transportation Income is attributable to regularly scheduled transportation or is received pursuant to bareboat charters attributable to a fixed place of business in the United States. As a result, we do not anticipate that any of our U.S. Source International Transportation Income will be treated as Effectively Connected Income. However, there is no assurance that we will not earn income pursuant to regularly scheduled transportation or bareboat charters attributable to a fixed place of business in the United States in the future, which would result in such income being treated as Effectively Connected Income. In addition, any U.S. Source Domestic Transportation Income generally will be treated as Effectively Connected Income.

Any income we earn that is treated as Effectively Connected Income would be subject to U.S. federal corporate income tax (the highest statutory rate is currently 35%). In addition, a 30% branch profits tax imposed under Section 884 of the Code also would apply to such income, and a branch interest tax could be imposed on certain interest paid or deemed paid by us.

Taxation of Gain on the Sale of a Vessel

Provided we qualify for the Section 883 Exemption, gain from the sale of a vessel should be exempt from tax under Section 883. If, however, we do not qualify for the Section 883 Exemption, then such gain could be treated as effectively connected income (determined under rules different from those discussed above) and subject to the net income and branch profits tax regime described above.

The 4% Gross Basis Tax

If the Section 883 Exemption does not apply and the net basis tax does not apply, we would be subject to a 4% U.S. federal income tax on the U.S. source portion of our U.S. Source International Transportation Income, without the benefit of deductions.

U.S. Federal Income Taxation of U.S. Holders

As used herein, the term U.S. Holder means a beneficial owner of our common units that is an individual U.S. citizen or resident (as determined for U.S. federal income tax purposes), a corporation or other entity organized under the laws of the United States or its political subdivisions and classified as a corporation for U.S. federal income tax purposes, an estate the income of which is subject to U.S. federal income taxation regardless of its source, or a trust if a court within the United States is able to exercise primary jurisdiction over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

Distributions

Subject to the discussion of the rules applicable to PFICs below, any distributions made by us with respect to our common units to a U.S. Holder generally will constitute dividends, which may be taxable as ordinary income or "qualified dividend income" as described in more detail below, to the extent of our current and accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of our earnings and profits will be treated first as a nontaxable return of capital to the extent of the U.S. Holder's tax basis in its common units on a dollar-for-dollar basis and thereafter as capital gain. U.S. Holders that are corporations generally will not be entitled to claim a dividends received deduction with respect to any distributions they receive from us. Dividends paid with respect to our common units generally will be treated as "passive" income from sources outside the United States for purposes of computing allowable foreign tax credits for U.S. federal income tax purposes.

Dividends paid on our common units to a U.S. Holder who is an individual, trust or estate (or a U.S. Individual Holder) will be treated as qualified dividend income that is taxable to such U.S. Individual Holder at preferential rates applicable to long-term capital gain provided that: (i) our common units are readily tradable on an established securities market in the United States (such as the Nasdaq Global Market on which our common units are traded); (ii) we are not a PFIC (which we do not believe we are, have been or will be, as discussed below); (iii) the U.S. Individual Holder has owned the common units for more than 60 days in the 121-day period beginning 60 days before the date on which the common units become ex-dividend (and has not entered into certain risk limiting transactions with respect to such units) and (iv) the U.S. Individual Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. There is no assurance that any dividends paid on our common units will be eligible for these preferential rates in the hands of a U.S. Individual Holder, and any dividends paid on our common units that are not eligible for these preferential rates will be taxed as ordinary income to a U.S. Individual Holder. Special rules may apply to any "extraordinary dividend" paid by us. An extraordinary dividend is, generally, a dividend with respect to a unit if the amount of the dividend is equal to or in excess of 10 percent of a unitholder's adjusted basis (or fair market value in certain circumstances) in such unit. If we pay an "extraordinary dividend" on our common units that is treated as "qualified dividend income", then any loss derived by a U.S. Individual Holder from the sale or exchange of such units will be treated as long-term capital loss to the extent of the amount of such dividend.

Sale, Exchange or other Disposition of Common Units

Subject to the discussion of PFICs below, a U.S. Holder generally will recognize taxable gain or loss upon a sale, exchange or other disposition of our common units in an amount equal to the difference between the amount realized by the U.S. Holder from such sale, exchange or other disposition and the U.S. Holder's tax basis in such units. Such gain or loss will be treated as long-term capital gain or loss if the U.S. Holder's holding period is greater than one year at the time of the sale, exchange or other disposition. Such capital gain or loss will generally be treated as U.S. source income or loss, as applicable, for U.S. foreign tax credit purposes. A U.S. Holder's ability to deduct capital losses is subject to certain limitations. Long-term capital gain of a U.S. Individual Holder is generally subject to tax at preferential rates.

PFIC Status and Significant Tax Consequences

Special and adverse U.S. federal income tax rules apply to a U.S. Holder that owns an equity interest in a non-U.S. entity taxed as a corporation and classified as a PFIC for U.S. federal income tax purposes. In general, we will be treated as a PFIC with respect to a U.S. Holder if, for any taxable year in which such holder held our common units, either:

- at least 75% of our gross income (including the gross income of our vessel owning subsidiaries) for such taxable year consists of passive income (e.g., dividends, interest, capital gains and rents derived other than in the active conduct of a rental business); or
- at least 50% of the average value of the assets held by us (including the assets of our vessel owning subsidiaries) during such taxable year produce, or are held for the production of, passive income.

Income earned, or deemed earned, by us in connection with the performance of services would not constitute passive income. By contrast, rental income would generally constitute "passive income" unless we were treated under specific rules as deriving our rental income in the active conduct of a trade or business. Based on our current and projected methods of operation, we believe that we are not currently a PFIC, nor do we expect to become a PFIC. Although there is no legal authority directly on point, and we are not obtaining a ruling from the IRS on this issue, we will take the position that, for purposes of determining whether we are a PFIC, the gross income we derive or are deemed to derive from the time and spot chartering activities of our wholly owned subsidiaries constitutes services income, rather than rental income. Correspondingly, such income should not constitute passive income, and the assets that we or our wholly owned subsidiaries own and operate in connection with the production of such income, in particular, the vessels we or our subsidiaries own that are subject to time charters, should not constitute passive assets for purposes of determining whether we were a PFIC.

As noted above, there is, however, no direct legal authority under the PFIC rules addressing our method of operation. Moreover, in a case not specifically interpreting the PFIC rules, *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), the Fifth Circuit held that the vessel time charters at issue generated predominantly rental income rather than services income. However, the court's ruling was contrary to the position of the IRS that the time charter income should have been treated as services income. Additionally, the IRS later affirmed its position in *Tidewater*, adding further that the time charters at issue would be treated as giving rise to services income under the PFIC rules.

No assurance, however, can be given that the IRS, or a court of law will accept our position, and there is a risk that the IRS or a court of law could determine we are or were a PFIC. In addition, although we intend to conduct our affairs in a manner to avoid, to the extent possible, being classified as a PFIC with respect to any taxable year, we cannot assure you that the nature of our operations will not change in the future, or that we can avoid PFIC status in the future.

As discussed more fully below, if we were to be treated as a PFIC for any taxable year, a U.S. Holder would be subject to different taxation rules depending on whether the U.S. Holder makes an election to treat us as a "Qualified Electing Fund", which election we refer to as a "QEF election". As an alternative to making a QEF election, a U.S. Holder should be able to make a "mark-to-market" election with respect to our common units, as discussed below.

Taxation of U.S. Holders Making a Timely QEF Election

If a U.S. Holder makes a timely QEF election, which U.S. Holder we refer to as an "Electing Holder", the Electing Holder must report each year for U.S. federal income tax purposes his pro rata share of our ordinary earnings and our net capital gain, if any, for our taxable year that ends with or within the taxable year of the Electing Holder, regardless of whether or not distributions were received from us by the Electing Holder. The Electing Holder's adjusted tax basis in the common units will be increased to reflect taxed but undistributed income. Distributions of earnings and profits that had been previously taxed will result in a corresponding reduction in the adjusted tax basis in the common units and will not be taxed again once distributed. An Electing Holder would generally recognize capital gain or loss on the sale, exchange or other disposition of our common units. A U.S. Holder would make a QEF election with respect to any year that we are a PFIC by filing one copy of IRS Form 8621 with his U.S. federal income tax return and a second copy in accordance with the instructions to such form. If contrary to our expectations, we determine that we are treated as a PFIC for any taxable year, we will attempt to provide each U.S. Holder with all necessary information in order to make the QEF election described above.

Taxation of U.S. Holders Making a "Mark-to-Market" Election

Alternatively, if we were to be treated as a PFIC for any taxable year and, as we anticipate, our common units were treated as "marketable stock", a U.S. Holder would be allowed to make a "mark-to-market" election with respect to our common units, provided the U.S. Holder completes and files IRS Form 8621 in accordance with the relevant instructions and related Treasury Regulations. If that election is made, the U.S. Holder generally would include as ordinary income in each taxable year the excess, if any, of the fair market value of the common units at the end of the taxable year over such holder's adjusted tax basis in the common units. The U.S. Holder would also be permitted an ordinary loss in respect of the excess, if any, of the U.S. Holder's adjusted tax basis in the common units over the fair market value thereof at the end of the taxable year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder's tax basis in his common units would be adjusted to reflect any such income or loss amount. Gain realized on the sale, exchange or other disposition of our common units would be treated as ordinary income, and any loss realized on the sale, exchange or other disposition of the common units would be treated as ordinary loss to the extent that such loss does not exceed the net mark-to-market gains previously included by the U.S. Holder.

Taxation of U.S. Holders not making a timely QEF or mark-to-market election

Finally, if we were to be treated as a PFIC for any taxable year, a U.S. Holder who does not make either a QEF election or a "mark-to-market" election for that year, whom we refer to as a "Non-Electing Holder", would be subject to special rules with respect to (1) any excess distribution (i.e., the portion of any distributions received by the Non-Electing Holder on our common units in a taxable year in excess of 125% of the average annual distributions received by the Non-Electing Holder in the three preceding taxable years, or, if shorter, the Non-Electing Holder's holding period for the common units), and (2) any gain realized on the sale, exchange or other disposition of our common units. Under these special rules:

- the excess distribution or gain would be allocated ratably over the Non-Electing Holder's aggregate holding period for the common units;
- the amount allocated to the current taxable year and any year prior to the year we were first treated as a PFIC with respect to the Non-Electing Holder would be taxed as ordinary income; and
- the amount allocated to each of the other taxable years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed deferral benefit would be imposed with respect to the resulting tax attributable to each such other taxable year.

These penalties would not apply to a qualified pension, profit sharing or other retirement trust or other tax-exempt organization that did not borrow money or otherwise utilize leverage in connection with its acquisition of our common units. If we were treated as a PFIC for any taxable year and a Non-Electing Holder who is an individual dies while owning our common units, such holder's successor generally would not receive a step-up in tax basis with respect to such units.

U.S. Federal Income Taxation of Non-U.S. Holders

A beneficial owner of our common units (other than a partnership, including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder is a Non-U.S. Holder.

Distributions

Distributions we pay to a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax if the Non-U.S. Holder is not engaged in a U.S. trade or business. If the Non-U.S. Holder is engaged in a U.S. trade or business, distributions we pay may be subject to U.S. federal income tax to the extent those distributions constitute income effectively connected with that Non-U.S. Holder's U.S. trade or business. However, distributions paid to a Non-U.S. Holder who is engaged in a trade or business may be exempt from taxation under an income tax treaty if the income represented thereby is not attributable to a U.S. permanent establishment maintained by the Non-U.S. Holder.

Disposition of Common Units

The U.S. federal income taxation of Non-U.S. Holders on any gain resulting from the disposition of our common units is generally the same as described above regarding distributions. However, individual Non-U.S. Holders may be subject to tax on gain resulting from the disposition of our common units if they are present in the United States for 183 days or more during the taxable year in which those shares are disposed and meet certain other requirements.

Backup Withholding and Information Reporting

In general, payments of distributions on our common units or the proceeds of a disposition of our common units to a U.S. Individual Holder will be subject to information reporting requirements. These payments also may be subject to backup withholding, if the U.S. Individual Holder:

- fails to provide an accurate taxpayer identification number;
- is notified by the IRS that he has failed to report all interest or corporate distributions required to be shown on its U.S. federal income tax returns; or
- in certain circumstances, fails to comply with applicable certification requirements.

Non-U.S. Holders may be required to establish their exemption from information reporting and backup withholding on payments within the United States by certifying their status on IRS Form W-8BEN, W-8ECI or W-8IMY, as applicable. Backup withholding is not an additional tax. Rather, a common unitholder generally may obtain a credit for any amount withheld against his liability for U.S. federal income tax (and a refund of any amounts withheld in excess of such liability) by filing a return with the IRS.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

We have filed with the SEC a registration statement on Form F-1, a registration statement on Form F-4 and three registration statements on Form F-3 regarding our common units. This Annual Report does not contain all of the information found in these registration statements. For further information regarding us and our common units, you may wish to review the full registration statements, including their exhibits. The registration statements, including the exhibits, may be inspected and copied at the public reference facilities maintained by the SEC at 100 F

Street, N.E., Washington, D.C. 20549. Copies of this material can also be obtained upon written request from the Public Reference Section of the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates or from the SEC's web site on the Internet at http://www.sec.gov free of charge. Please call the SEC at 1-800-SEC-0330 for further information on public reference room. Our registration statement can also be inspected and copied at the offices of the Nasdaq Global Market, One Liberty Plaza, New York, New York 10006.

I. Subsidiary Information

Please see Exhibit 8.1 to this Annual Report for a list of our significant subsidiaries as of December 31, 2013.

Item 11. Quantitative and Qualitative Disclosures About Market Risk.

Our Risk Management Policy

Our policy is to continuously monitor our exposure to business risks, including the impact of changes in interest rates and currency rates as well as inflation on earnings and cash flows. We intend to assess these risks and, when appropriate, take measures to minimize our exposure to the risks.

Foreign Exchange Risk

We do not have a material currency exposure risk. We generate all of our revenues in U.S. Dollars and incur less than 12% of our expenses in currencies other than U.S. Dollars. For accounting purposes, expenses incurred in currencies other than the U.S. Dollar are translated into U.S. Dollars at the exchange rate prevailing on the date of each transaction. As of December 31, 2013, less than 5% of liabilities were denominated in currencies other than U.S. Dollars (mainly in Euros). These liabilities were translated into U.S. Dollars at the exchange rate prevailing on December 31, 2013. We have not hedged currency exchange risks and our operating results could be adversely affected as a result.

Interest Rate Risk

The international tanker industry is capital intensive, requiring significant amounts of investment, a significant portion of which is provided in the form of long-term debt. Our current debt contains interest rates that fluctuate with LIBOR. Our 2007 credit facility and 2008 credit facility each bear an interest margin of 2% and 3% per annum over US$ LIBOR, respectively. Our 2011 credit facility bears an interest margin of 3.25% per annum over US$ LIBOR. Our 2013 credit facility bears an interest margin of 3.50% per annum over US$ LIBOR. Therefore, we are exposed to the risk that our interest expense may increase if interest rates rise.

Currently we have no interest rate swap agreements outstanding. During 2013 three interest rate swap agreements expired. As a result of a possible market disruption in determining the cost of funds for our banks, any increases by the banks to their "funding costs" under our agreements will lead to proportional increases in the relevant interest amounts interest payable under our agreement on a quarterly basis. As an indication of the extent of our sensitivity to interest rate changes based upon our debt level, an increase of 100 basis points in LIBOR would have resulted in an increase in our interest expense by approximately $5.3 million for the year ended December 31, 2013, assuming all other variables had remained constant. Please refer to "Item 5B: Liquidity and Capital Resources—Borrowings—Our Credit Facilities" for more information on the specific rates we have entered into under each swap agreement.

Please read Note 2 (Significant Accounting Policies), Note 7 (Long-Term Debt) and Note 8 (Financial Instruments) to our Financial Statements included herein, which provide additional information with respect to our derivative financial instruments and existing debt agreements.

Concentration of Credit Risk

Financial instruments which potentially subject us to significant concentrations of credit risk consist principally of cash and cash equivalents, interest rate swap agreements, and trade accounts receivable. We place our cash and cash equivalents, consisting mostly of deposits, and enter into interest rate swap agreements with creditworthy financial institutions as rated by qualified rating agencies. For the years ended December 31, 2013, 2012, and 2011, 49%, 68% and 56% of our revenues, respectively, were derived from two charterers. We do not obtain rights to collateral to reduce our credit risk. Please refer to "Item 5B: Liquidity and Capital Resources—Borrowings—Our Credit Facilities" for more information on our interest rate swap agreements.

Inflation

Inflation has had a minimal impact on vessel operating expenses, drydocking expenses and general and administrative expenses to date. Our management does not consider inflation to be a significant risk to direct expenses in the current and foreseeable economic environment. However, in the event that inflation becomes a significant factor in the global economy, inflationary pressures would result in increased operating, voyage and financing costs.

Item 12. Description of Securities Other than Equity Securities.

Not Applicable.

PART II

Item 13. Defaults, Dividend, Arrearages and Delinquencies.

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds.

No material modifications to the rights of security holders.

Item 15. Controls and Procedures.

a. Disclosure Controls and Procedures

As of December 31, 2013, our management (with the participation of the chief executive officer and chief financial officer of our general partner) conducted an evaluation pursuant to Rule 13a-15(b) and 15d-15 promulgated under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), of the effectiveness of the design and operation of our disclosure controls and procedures. Our management, including the chief executive and chief financial officer of our general partner, recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the partnership have been detected. Further, in the design and evaluation of our disclosure controls and procedures our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

However, based on this evaluation, the chief executive officer and chief financial officer of our general partner concluded that as of December 31, 2013, our disclosure controls and procedures, which include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to the management, including the chief executive officer and chief financial officer of our general partner, as appropriate to allow timely decisions regarding required disclosure, were effective to provide reasonable assurance that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

b. Management's Annual Report on Internal Control over Financial Reporting

Our management (with the management of our general partner) is responsible for establishing and maintaining adequate internal controls over financial reporting. Our internal controls were designed to provide reasonable assurance as to the reliability of our financial reporting and the preparation and presentation of our Financial Statements for external purposes in accordance with accounting principles generally accepted in the United States.

Our internal controls over financial reporting includes those policies and procedures that 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of our Financial Statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made in accordance with authorizations of management and the directors of our general partnership and 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the our assets that could have a material effect on the financial statements.

Our management conducted an evaluation of the effectiveness of our internal control over financial reporting based upon the 1992 framework in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of

controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management believes that our internal control over financial reporting was effective as of December 31, 2013.

However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements even when determined to be effective and can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Deloitte Hadjipavlou, Sofianos & Cambanis S.A. ("Deloitte"), our independent registered public accounting firm, has audited the Financial Statements included herein and our internal control over financial reporting and has issued an attestation report on the effectiveness of our internal control over financial reporting which is reproduced in its entirety in Item 15(c) below.

c. Attestation Report of the Registered Public Accounting Firm.

To the Board of Directors and Unitholders of Capital Product Partners L.P., Majuro, Republic of the Marshall Islands.

We have audited the internal control over financial reporting of Capital Product Partners L.P. (the "Partnership") as of December 31, 2013, based on criteria established in *Internal Control — Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Partnership's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Management's Annual Report on Internal Control over Financial Reporting." Our responsibility is to express an opinion on the Partnership's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2013, based on the criteria established in *Internal Control — Integrated Framework (1992)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2013 of the Partnership and our report dated February 18, 2014 expressed an unqualified opinion on those financial statements.

/s/ Deloitte Hadjipavlou, Sofianos, & Cambanis S.A.
Athens, Greece

February 18, 2014

d. Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting during the year covered by this Annual Report that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Item 16A. Audit Committee Financial Expert.

Our board of directors has determined that director Abel Rasterhoff, the chairman of our audit committee, qualifies as an audit committee financial expert for purposes of the U.S. Sarbanes-Oxley Act of 2002 and is independent under applicable Nasdaq Global Market and SEC standards.

Item 16B. Code of Ethics.

In May 2013, our board of directors adopted an amended Code of Business Conduct and Ethics that includes a Code of Ethics (the “Code”) that applies to the Partnership and all of its employees, directors and officers, including its chief executive officer, chief financial officer, chief accounting officer or controller, its agents and persons performing similar functions, including for the avoidance of doubt any employees, officers or directors of Capital Ship Management, wherever located, as well as to all of the Partnership’s subsidiaries and other business entities controlled by it worldwide. This amendment incorporates updated terms and conditions consistent with the FCPA and U.K. Bribery Act, and includes a new Gifts and Entertainment policy.

This document is available under “Corporate Governance” in the Investor Relations area of our web site (www.capitalpplp.com). We will also provide a hard copy of our Code free of charge upon written request. We intend to disclose, under “Corporate Governance” in the Investor Relations area of our web site, any waivers to or amendments of the Code for the benefit of any of our directors and executive officers within five business days of such waiver or amendment.

Item 16C. Principal Accountant Fees and Services.

Our principal accountant for 2013 and 2012 was Deloitte. The following table shows the fees we paid or accrued for audit services provided by Deloitte for these periods (in thousands of U.S. Dollars).

Fees	2013	2012
Audit Fees(1)	$477.3	$478.6
Audit-Related Fees	–	–
Tax Fees(2)	25.0	30.1
Total	$502.3	$508.7

(1) Audit fees represent fees for professional services provided in connection with the audit of our Financial Statements included herein, review of our quarterly consolidated financial statements, audit services provided in connection with other regulatory filings, issuance of consents and assistance with and review of documents filed with the SEC.

(2) Tax fees represent fees for professional services provided in connection with various U.S. income tax compliance and information reporting matters.

The audit committee of our board of directors has the authority to pre-approve permissible audit-related and non-audit services not prohibited by law to be performed by our independent auditors and associated fees. Engagements for proposed services either may be separately pre-approved by the audit committee or entered into pursuant to detailed pre-approval policies and procedures established by the audit committee, as long as the audit committee is informed on a timely basis of any engagement entered into on that basis. The audit committee separately pre-approved all engagements and fees paid to our principal accountant in 2013 and 2012.

Item 16D. Exemptions from the Listing Standards for Audit Committees.

None.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

In May 2012 we announced an agreement to issue $140.0 million of Class B Units and in March 2013 we announced an agreement to issue 9.1 million Class B Units to groups of investors including amongst others, Capital Maritime. As of March 26, 2013, there were 24,655,554 Class B Units issued and outstanding, of which 4,048,484 were owned by Capital Maritime. In July, August, October and December 2013, certain holders of our Class B Units, not including Capital Maritime, converted 5,733,333 Class B Units into common units in accordance with the terms of the partnership agreement. As a result, there were 18,922,221 Class B Units issued and outstanding, of which 4,048,484 remained owned by Capital Maritime as of the date of this Annual Report. On August 9, 2013, we issued 279,286 common units to Capital GP L.L.C., our general partner, at a price of $9.25 per common unit—the public offering price (not subject to any underwriting discount), such public offering closing that same day. On August 19, 2013, we issued 349,700 general partner units to Capital GP L.L.C, our general partner, in exchange for a capital contribution of 349,700 common units, in order for it to maintain its 2% interest in us. Following these transactions, Capital Maritime owned 17,692,891 common units and 4,048,484 Class B Units, representing a 21.5% limited partner interest in us. As of December 31, 2013, the Marinakis family, including Evangelos M. Marinakis, our chairman, may be deemed to beneficially own a 27.3% interest in us through its beneficial ownership, amongst others, of Capital Maritime and of Crude Carriers Investments.

Item 16F. Change in Registrant's Certifying Accountant.

Not applicable.

Item 16G. Corporate Governance.

The Nasdaq Global Market requires limited partnerships with listed units to comply with its corporate governance standards. As a foreign private issuer, we are not required to comply with all of the rules that apply to listed U.S. limited partnerships. However, we have generally chosen to comply with most of the Nasdaq Global Market's corporate governance rules as though we were a U.S. limited partnership. Although we are not required to have a majority of independent directors on our board of directors or to establish a compensation committee or a nominating/corporate governance committee our board of directors has established an audit committee and a conflicts committee comprised solely of independent directors. Accordingly, we do not believe there are any significant differences between our corporate governance practices and those that would typically apply to a U.S.

domestic issuer that is a limited partnership under the corporate governance standards of the Nasdaq Global Market. Please see “Item 6C: Board Practices” and “Item 10B: Memorandum and Articles of Association” for more detail regarding our corporate governance practices.

PART III

Item 17. Financial Statements

Not Applicable.

Item 18. Financial Statements

INDEX TO FINANCIAL STATEMENTS

CAPITAL PRODUCT PARTNERS L.P.

Item 19. Exhibits

The following exhibits are filed as part of this Annual Report:

Exhibit No.	Description
1.1	Certificate of Limited Partnership of Capital Product Partners L.P. (1)
1.2	First Amended and Restated Agreement of Limited Partnership of Capital Product Partners L.P. (2)
1.3	Amendment to Capital Product Partners Amended and Restated Agreement of Limited Partnership (7)
1.4	Second Amended and Restated Agreement of Limited Partnership of Capital Product Partners L.P. dated February 22, 2010 (8)
1.5	Amendment to Second Amended and Restated Agreement of Limited Partnership of Capital Product Partners L.P. dated September 30, 2011 (9)
1.6	Second Amendment to Second Amended and Restated Agreement of Limited Partnership of Capital Product Partners L.P. dated September 30, 2011 (15)
1.7	Third Amendment to Second Amended and Restated Agreement of Limited Partnership of Capital Product Partners L.P. dated September 30, 2011 (17)
1.8	Certificate of Formation of Capital GP L.L.C. (1)
1.9	Limited Liability Company Agreement of Capital GP L.L.C. (1)
1.10	Certificate of Formation of Capital Product Operating GP L.L.C. (1)
4.1	Revolving $370.0 Million Credit Facility dated March 22, 2007 (1)
4.2	First Supplemental Agreement to Revolving $370.0 million Credit Facility dated September 19, 2007 (3)
4.3	Second Supplemental Agreement to Revolving $370.0 Million Credit Facility dated June 11, 2008 (4)
4.4	Third Supplemental Agreement to Revolving $370.0 Million Credit Facility dated April 7, 2009 (7)
4.5	Fourth Supplemental Agreement to Revolving $370.0 Million Credit Facility dated April 8, 2009 (7)
4.6	Fifth Supplemental Agreement to Revolving $370.0 Million Credit Facility dated October 2, 2009 (7)
4.7	Sixth Supplemental Agreement to Revolving $370.0 Million Credit Facility dated June 30, 2010 (10)
4.8	Seventh Supplemental Agreement to Revolving $370.0 Million Credit Facility dated November 30, 2010 (10)

Exhibit No.	Description
4.9	Eighth Supplemental Agreement to Revolving $370.0 Million Credit Facility dated December 23, 2011 (14)
4.10	Ninth Supplemental Agreement to Revolving $370.0 Million Credit Facility dated May 21, 2012 (15)
4.11	Revolving $350.0 Million Credit Facility dated March 19, 2008 (3)
4.12	First Supplemental Agreement to Revolving $350.0 million Credit Facility dated October 2, 2009 (7)
4.13	Second Supplemental Agreement to Revolving $350.0 million Credit Facility dated June 30, 2010 (10)
4.14	Third Supplemental Agreement to Revolving $350.0 million Credit Facility dated May 21, 2012 (15)
4.15	Fourth Supplemental Agreement to Revolving $350.0 million Credit Facility dated December 21, 2012 (18)
4.16	Loan Agreement with Emporiki Bank Of Greece S.A. dated June 9, 2011 (14)
4.17	Supplemental Letter to Loan Agreement with Emporiki Bank of Greece S.A. dated May 21, 2012 (15)
4.18	Amended and Restated Loan Agreement with ING Bank N.V., HSH Nordbank AG, National Bank of Greece S.A. and Skandinaviska Enskilda Banken AB (publ) dated December 27, 2013
4.19	Omnibus Agreement (1)
4.20	Amended and Restated Omnibus Agreement dated September 30, 2011(9)
4.21	Management Agreement with Capital Ship Management (1)
4.22	Amendment 1 to Management Agreement with Capital Ship Management dated September 24, 2007 (3)
4.23	Amendment 2 to Management Agreement with Capital Ship Management dated March 27, 2008 (3)
4.24	Amendment 3 to Management Agreement with Capital Ship Management dated April 30, 2008 (4)
4.25	Amendment 4 to Management Agreement with Capital Ship Management dated April 7, 2009 (7)
4.26	Amendment 5 to Management Agreement with Capital Ship Management dated April 13, 2009 (7)
4.27	Amendment 6 to Management Agreement with Capital Ship Management dated April 30, 2009 (7)
4.28	Amendment 7 to Management Agreement with Capital Ship Management dated March 1, 2010 (10)
4.29	Amendment 8 to Management Agreement with Capital Ship Management dated June 30, 2010 (10)
4.30	Amendment 9 to Management Agreement with Capital Ship Management dated August 13, 2010 (10)
4.31	Amended and Restated Management Agreement with Capital Ship Management dated January 1, 2012 (14)
4.32	Amended and Restated Management Agreement with Capital Ship Management dated May 9, 2013
4.33	Amended and Restated Management Agreement with Capital Ship Management dated November 30, 2013
4.34	Floating Rate Management Agreement with Capital Ship Management Corp. dated June 9, 2011(14)
4.35	Amendment 1 to Floating Rate Management Agreement with Capital Ship Management Corp. dated August 4, 2011 (14)
4.36	Amendment 2 to Floating Rate Management Agreement with Capital Ship Management Corp. dated December 5, 2011 (14)
4.37	Amendment 3 to Floating Rate Management Agreement with Capital Ship Management Corp. dated April 18, 2012 (18)
4.38	Amendment 4 to Floating Rate Management Agreement with Capital Ship Management Corp. dated June 13, 2012 (18)
4.39	Amendment 5 to Floating Rate Management Agreement with Capital Ship Management Corp. dated August 26, 2012 (18)
4.40	Amendment 6 to Floating Rate Management Agreement with Capital Ship Management Corp. dated September 15, 2012 (18)
4.41	Amendment 7 to Floating Rate Management Agreement with Capital Ship Management Corp. dated December 22, 2012 (18)
4.42	Amendment 8 to Floating Rate Management Agreement with Capital Ship Management Corp. dated December 24, 2012 (18)
4.43	Amendment 9 to Floating Rate Management Agreement with Capital Ship Management Corp. dated January 22, 2013
4.44	Amendment 10 to Floating Rate Management Agreement with Capital Ship Management Corp. dated March 20, 2013
4.45	Amendment 11 to Floating Rate Management Agreement with Capital Ship Management Corp. dated September 11, 2013

Exhibit No.	Description
4.46	Amendment 12 to Floating Rate Management Agreement with Capital Ship Management Corp. dated November 28, 2013
4.47	Administrative Services Agreement with Capital Ship Management (1)
4.48	Amendment 1 to Administrative Services Agreement with Capital Ship Management Corp. dated April 2, 2012 (18)
4.49	Contribution and Conveyance Agreement for Initial Fleet (1)
4.50	Share Purchase Agreement for 2007 and 2008 Vessels (1)
4.51	Share Purchase Agreement for M/T Attikos dated September 24, 2007 (3)
4.52	Share Purchase Agreement for M/T Amore Mio II dated March 27, 2008 (3)
4.53	Share Purchase Agreement for M/T Aristofanis dated April 30, 2008 (4)
4.54	Share Purchase Agreement for M/T Agamemnon II dated April 3, 2009 (7)
4.55	Share Purchase Agreement for M/T Ayrton II dated April 12, 2009 (7)
4.56	Share Purchase Agreement for M/T Atrotos (El Pipila) dated February 22, 2010 (10)
4.57	Share Purchase Agreement for M/T Alkiviadis dated June 30, 2010 (10)
4.58	Share Purchase Agreement for M/T Assos (Insurgentes) dated August 13, 2010 (10)
4.59	Share Purchase Agreement for M/V Cape Agamemnon dated June 9, 2011 (14)
4.60	Share Purchase Agreement for M/T Archimidis dated December 22, 2012 (18)
4.61	Share Purchase Agreement for M/T Agamemnon dated December 22, 2012 (18)
4.62	Share Purchase Agreement for M/V Hyundai Premium dated March 20, 2013 (17)
4.63	Share Purchase Agreement for M/V Hyundai Paramount dated March 27, 2013
4.64	Share Purchase Agreement for M/V CCNI Angol (ex Hyundai Prestige) dated August 9, 2013
4.65	Share Purchase Agreement for M/V Hyundai Platinum dated August 9, 2013
4.66	Share Purchase Agreement for M/V Hyundai Privilege dated August 9, 2013
4.67	Capital Product Partners L.P. 2008 Omnibus Incentive Compensation Plan dated April 29, 2008 (5)
4.68	Capital Product Partners L.P. 2008 Omnibus Incentive Compensation Plan amended July 22, 2010 (10)
4.69	Crude Carriers Corp. Equity Incentive Plan dated March 1, 2010 (11)
4.70	Form of Management Agreement between Crude Carriers Corp. and Capital Ship Management Corp. (11)
4.71	Amendment No. 1 to Crude Carriers Management Agreement dated August 5, 2010 (12)
4.72	Amendment No. 2 to Crude Carriers Management Agreement dated August 6, 2010 (12)
4.73	Form of Share Purchase Agreement between Crude Carriers Corp. and Capital Maritime & Trading Corp. for Cooper Consultants Co. (11)
4.74	Form of Share Purchase Agreement between Crude Carriers Corp. and Capital Maritime & Trading Corp. for Alexander the Great Carriers Corp. (11)
4.75	Form of Share Purchase Agreement between Crude Carriers Corp. and Capital Maritime & Trading Corp. for Achilleas Carriers Corp. (11)
4.76	Memorandum of Agreement for acquisition of M/T Amoureux dated April 19, 2010 (12)
4.77	Memorandum of Agreement for acquisition of M/T Aias dated April 19, 2010 (12)
4.78	Memorandum of Agreement for acquisition of M/T Aristotelis (ex M/T Aristarchos) dated October 16, 2013
4.79	Memorandum of Agreement for disposition of M/T Agamemnon II dated October 17, 2013
4.80	Form Restricted Unit Award of Capital Product Partners L.P. (10)
4.81	Agreement between Capital Product Partners and Capital GP L.L.C. dated January 30, 2009 (6)
4.82	Agreement and Plan of Merger by and among Capital Product Partners L.P., Capital GP L.L.C., Poseidon Project Corp. and Crude Carriers Corp., dated as of May 5, 2011. (13)
4.83	Subscription Agreement dated May 11, 2012 (15)
4.84	Registration Rights Agreement dated May 22, 2012 (15)
4.85	Subscription Agreement dated June 6, 2012 (16)
4.86	Registration Rights Agreement dated June 6, 2012 (16)
4.87	Subscription Agreement dated March 15, 2013 (17)
4.88	Registration Rights Agreement dated March 19, 2013 (17)
4.89	Assignment of Claim Agreement dated June 24, 2013

Exhibit No.	Description
4.90	Assignment of Claim Agreement dated June 24, 2013
4.91	Assignment of Claim Agreement dated June 24, 2013
4.92	Settlement Notice and Refund Modification dated December 18, 2013
8.1	List of Subsidiaries of Capital Product Partners L.P.
12.1	Rule 13a-14(a)/15d-14(a) Certification of Capital Product Partners L.P.'s Chief Executive Officer
12.2	Rule 13a-14(a)/15d-14(a) Certification of Capital Product Partners L.P.'s Chief Financial Officer
13.1	Capital Product Partners L.P. Certification of Ioannis E. Lazaridis, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002*
13.2	Capital Product Partners L.P. Certification of Ioannis E. Lazaridis, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002*
15.1	Consent of Deloitte Hadjipavlou, Sofianos & Cambanis S.A.
15.2	Consent of Deloitte Hadjipavlou, Sofianos & Cambanis S.A.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Previously filed as an exhibit to Capital Product Partners L.P.'s Registration Statement on Form F-1 (File No. 333-141422), filed with the SEC on March 19, 2007 and hereby incorporated by reference to such Registration Statement.
(2) Previously filed as Appendix A to the Partnership's Rule 424(b)(4) Prospectus filed with the SEC on March 30, 2007, and hereby incorporated by reference to this Annual Report.
(3) Previously filed as an exhibit to the registrant's Annual Report on Form 20-F for the year ended December 31, 2007 and filed with the SEC on April 4, 2008.
(4) Previously filed as an exhibit to the registrant's Registration Statement on Form F-3 filed with the SEC on August 29, 2008.
(5) Previously filed as a Current Report on Form 6-K with the SEC on April 30, 2008.
(6) Previously filed as an exhibit to the registrant's Annual Report on Form 20-F for the year ended December 31, 2008 and filed with the SEC on March 27, 2009.
(7) Previously filed as an exhibit to the registrant's Annual Report on Form 20-F for the year ended December 31, 2009 and filed with the SEC on February 4, 2010.
(8) Previously filed as a Current Report on Form 6-K with the SEC on February 24, 2010.
(9) Previously filed as a Current Report on Form 6-K with the SEC on September 30, 2011.
(10) Previously filed as an exhibit to the registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and filed with the SEC on February 4, 2011.
(11) Previously filed as an exhibit to Crude Carriers Corp.'s Registration Statement on Form F-1 (File No. 333-165138), filed with the SEC on March 1, 2010, and incorporated by reference to such Registration Statement.
(12) Previously filed as an exhibit to Crude Carriers Corp.'s Annual Report on Form 20-F for the year ended December 31, 2010 and filed with the SEC on April 18, 2011.
(13) Previously filed as a Current Report on Form 6-K with the SEC on May 9, 2011.
(14) Previously filed as an exhibit to the registrant's Annual Report on Form 20-F for the year ended December 31, 2011 and filed with the SEC on February 13, 2012.
(15) Previously furnished as a Current Report on Form 6-K with the SEC on May 23, 2012.
(16) Previously furnished as a Current Report on Form 6-K with the SEC on June 6, 2012.
(17) Previously furnished as a Current Report on Form 6-K with the SEC on March 21, 2013.
(18) Previously filed as an exhibit to the registrant's Annual Report on Form 20-F for the year ended December 31, 2012 and filed with the SEC on February 5, 2013.

* Furnished only and not filed

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

CAPITAL PRODUCT PARTNERS L.P.,

By: Capital GP L.L.C., its general partner

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP L.L.C.

Dated: February 18, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Unitholders of Capital Product Partners L.P., Majuro, Republic of the Marshall Islands.

We have audited the accompanying consolidated balance sheets of Capital Product Partners L.P. (the "Partnership") as of December 31, 2013 and 2012, and the related consolidated statements of comprehensive income/ (loss), changes in partners' capital, and cash flows for each of the three years in the period ended December 31, 2013. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Capital Product Partners L.P. as of December 31, 2013 and 2012, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Partnership's internal control over financial reporting as of December 31, 2013, based on the criteria established in *Internal Control—Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 18, 2014 expressed an unqualified opinion on the Partnership's internal control over financial reporting.

/s/ Deloitte Hadjipavlou, Sofianos & Cambanis S.A.
Athens, Greece

February 18, 2014

Capital Product Partners L.P.
Consolidated Balance Sheets
(In thousands of United States Dollars, except number of units)

	December 31, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	$ 63,972	$ 43,551
Trade accounts receivable, net	4,365	2,346
Due from related parties (Note 4)	667	-
Above market acquired charters (Note 6)	612	-
Prepayments and other assets	1,376	1,259
Inventories	2,740	2,333
Total current assets	**73,732**	**49,489**
Fixed assets		
Vessels, net (Note 5)	1,176,819	959,550
Total fixed assets	**1,176,819**	**959,550**
Other non-current assets		
Trade accounts receivable, net	-	848
Above market acquired charters (Note 6)	130,770	47,720
Deferred charges, net	5,451	2,021
Restricted cash (Notes 2, 7)	15,000	10,500
Total non-current assets	**1,328,040**	**1,020,639**
Total assets	**$ 1,401,772**	**$ 1,070,128**
Liabilities and Partners' Capital		
Current liabilities		
Current portion of long-term debt (Note 7)	$ 5,400	$ -
Trade accounts payable	7,519	4,776
Due to related parties (Note 4)	13,686	17,447
Derivative instruments (Note 8)	-	467
Accrued liabilities (Note 9)	5,387	2,781
Deferred revenue (Note 4)	6,936	10,302
Total current liabilities	**38,928**	**35,773**
Long-term liabilities		
Long-term debt (Note 7)	577,915	458,365
Deferred revenue	3,503	2,162
Total long-term liabilities	**581,418**	**460,527**
Total liabilities	**620,346**	**496,300**
Commitments and contingencies (Note 17)	-	-
Partners' capital		
General Partner	9,250	9,049
Limited Partners - Common (88,440,710 and 69,372,077 units issued and outstanding at December 31, 2013 and 2012, respectively)	559,155	425,497
Limited Partners - Preferred (18,922,221 and 15,555,554 Class B units issued and outstanding at December 31, 2013 and 2012, respectively)	213,021	139,744
Accumulated other comprehensive loss (Notes 2, 8)	-	(462)
Total partners' capital	**781,426**	**573,828**
Total liabilities and partners' capital	**$ 1,401,772**	**$ 1,070,128**

The accompanying notes are an integral part of these consolidated financial statements.

Capital Product Partners L.P.
Consolidated Statements of Comprehensive Income / (Loss)
(In thousands of United States Dollars, except number of units and net income / (loss) per unit)

	For the years ended December 31,		
	2013	**2012**	**2011**
Revenues	$ 116,520	$ 84,012	$ 98,517
Revenues – related party (Note 4)	54,974	69,938	31,799
Total revenues	**171,494**	**153,950**	**130,316**
Expenses:			
Voyage expenses (Note 10)	5,776	5,114	11,565
Voyage expenses – related party (Notes 4, 10)	314	554	165
Vessel operating expenses (Note 10)	38,284	22,126	4,949
Vessel operating expenses – related party (Notes, 4, 10)	17,039	23,634	30,516
General and administrative expenses (Note 4)	9,477	9,159	10,609
Loss / (gain) on sale of vessels to third parties (Note 5)	7,073	(1,296)	—
Depreciation & amortization (Note 5)	52,208	48,235	37,214
Vessels' impairment charge (Note 5)	—	43,178	—
Operating income	**41,323**	**3,246**	**35,298**
Non operating income:			
Gain on sale of claim (Note 16)	31,356	—	—
Gain from bargain purchase (Note 3)	42,256	—	82,453
Total non operating income	**73,612**	**—**	**82,453**
Other income (expense):			
Interest expense and finance cost	(15,991)	(26,658)	(33,820)
Gain on interest rate swap agreement (Note 8)	4	1,448	2,310
Interest and other income	533	775	879
Total other expense, net	**(15,454)**	**(24,435)**	**(30,631)**
Partnership's Net income/ (loss)	**$ 99,481**	**$ (21,189)**	**$ 87,120**
Preferred unit holders' interest in Partnership's net income	18,805	10,809	—
General Partner's interest in Partnership's net income / (loss)	$ 1,598	$ (640)	$ 1,742
Common unit holders' interest in Partnership's net income/ (loss)	$ 79,078	$ (31,358)	$ 85,378
Net income / (loss) per (Note 15):			
Common unit basic	$ 1.04	$ (0.46)	$ 1.78
Weighted-average units outstanding:			
Common unit basic	75,645,207	68,256,072	47,138,336
Net income per (Note 15):			
Common unit diluted	$ 1.01	$ (0.46)	$ 1.78
Weighted-average units outstanding:			
Common units diluted	97,369,136	68,256,072	47,138,336
Comprehensive income / (loss):			
Partnership's net income / (loss)	**99,481**	**(21,189)**	**87,120**
Other Comprehensive income:			
Unrealized gain on derivative instruments (Note 8)	462	10,762	17,518
Comprehensive income/ (loss)	**$ 99,943**	**$ (10,427)**	**$ 104,638**

The accompanying notes are an integral part of these consolidated financial statements.

Capital Product Partners L.P.
Consolidated Statements of Changes in Partners' Capital
(In thousands of United States Dollars)

	General Partner	Limited Partners Common	Total	Accumulated Other Comprehensive Loss	Totals
Balance at January 1, 2011	**$ 5,584**	**$ 262,918**	**$ 268,502**	**$ (28,742)**	**$ 239,760**
Dividends declared and paid to unitholders (Note 13)	(902)	(44,214)	(45,116)	-	(45,116)
Issuance of Partnership's units for business acquisition – of Crude (Note 3)	3,111	152,448	155,559	-	155,559
Issuance of Partnership units for business acquisition – of Patroklos Marine Corp. (Note 3)	1,470	57,055	58,525	-	58,525
Partnership's net income	1,742	85,378	87,120	-	87,120
Fair value of Crude's equity incentive plan attributable to precombination services (Note 3)	-	1,505	1,505	-	1,505
Equity compensation expense (Note 14)	-	2,455	2,455	-	2,455
Other comprehensive income (Note 8)	-	-	-	17,518	17,518
Balance at December 31, 2011	**$ 11,005**	**$ 517,545**	**528,550**	$ **(11,224)**	**$ 517,326**

The accompanying notes are an integral part of these consolidated financial statements.

Capital Product Partners L.P.
Consolidated Statements of Changes in Partners' Capital - Continued
(In thousands of United States Dollars)

	General Partner	Limited Partners Common	Limited Partners Preferred	Total	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2011	**$ 11,005**	**$ 517,545**	**$ —**	**$ 528,550**	**$ (11,224)**	**$ 517,326**
Distributions declared and paid (distributions per common and preferred unit) (Note 13)	(1,316)	(64,516)	(7,484)	(73,316)	—	(73,316)
Partnership's net loss	(640)	(31,358)	10,809	(21,189)	—	(21,189)
Issuance of preferred units (Note 13)	—	—	136,419	136,419	—	136,419
Equity compensation expense (Note 14)	—	3,826	—	3,826	—	3,826
Other comprehensive income (Note 8)	—	—	—	—	10,762	10,762
Balance at December 31, 2012	**$ 9,049**	**$ 425,497**	**$ 139,744**	**$ 574,290**	**$ (462)**	**$ 573,828**

The accompanying notes are an integral part of these consolidated financial statements.

Capital Product Partners L.P.
Consolidated Statements of Changes in Partners' Capital - Continued
(In thousands of United States Dollars)

	General Partner	Limited Partners Common	Limited Partners Preferred	Total	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2012	**$ 9,049**	**$ 425,497**	**$ 139,744**	**$ 574,290**	**$ (462)**	**$ 573,828**
Distributions declared and paid (distributions per common and preferred unit) (Note 13)	(1,397)	(68,759)	(18,085)	(88,241)	—	(88,241)
Partnership's net income	1,598	79,078	18,805	99,481	—	99,481
Issuance of Partnership's units (Note 13)	—	119,811	72,557	192,368	—	192,368
Equity compensation expense (Note 14)	—	3,528	—	3,528	—	3,528
Other comprehensive income (Note 8)	—		—	—	462	462
Balance at December 31, 2013	**9,250**	**559,155**	**213,021**	**781,426**	**—**	**781,426**

The accompanying notes are an integral part of these consolidated financial statements.

Capital Product Partners L.P.
Consolidated Statements of Cash flows
(In thousands of United States Dollars)

	For the years ended December 31		
	2013	2012	2011
Cash flows from operating activities:			
Net income / (loss)	$ 99,481	$ (21,189)	$ 87,120
Adjustments to reconcile net income / (loss) to net cash provided by operating activities :			
Vessel depreciation and amortization (Note 5)	52,208	48,235	37,214
Vessels' impairment (Notes 3, 5)	—	43,178	—
Gain from bargain purchase (Note 3)	(42,256)	—	(82,453)
Amortization of deferred charges	405	480	809
Amortization of above market acquired charters (Note 6)	13,594	7,904	5,489
Equity compensation expense (Note 14)	3,528	3,826	2,455
Gain on interest rate swap agreements (Note 8)	(4)	(1,448)	(2,310)
Loss / (gain) on sale of vessels to third parties (Note 5)	7,073	(1,296)	—
Accrual on gain on sale of claim (Note 16)	644	—	—
Changes in operating assets and liabilities:			
Trade accounts receivable	(1,171)	221	7,211
Due from related parties	(667)	—	2
Prepayments and other assets	(117)	237	(589)
Inventories	(407)	1,677	5,576
Trade accounts payable	2,066	(5,594)	(4,600)
Due to related parties	(3,761)	7,009	(4,507)
Accrued liabilities	1,573	480	(247)
Deferred revenue	(1,852)	1,078	5,369
Drydocking costs	(761)	—	—
Net cash provided by operating activities	**129,576**	**84,798**	**56,539**
Cash flows from investing activities:			
Vessel acquisitions and improvements (Notes 3, 5)	(363,038)	(1,614)	(27,003)
Increase in restricted cash	(4,500)	(3,750)	(1,500)
Proceeds from sale of vessels (Notes 3, 5)	32,192	21,299	—
Cash and cash equivalents acquired in business acquisition	—	—	11,847
Net cash (used in) / provided by investing activities	**(335,346)**	**15,935**	**(16,656)**
Cash flows from financing activities:			
Proceeds from issuance of Partnership units (Notes 3, 13)	195,771	140,000	1,470
Expenses paid for issuance of Partnership units	(3,410)	(1,673)	—
Proceeds from issuance of long-term debt (Note 7)	129,000	—	159,580
Payments of long-term debt (Note 7)	(4,050)	(175,215)	(134,580)
Loan issuance costs	(2,879)	(348)	(338)
Dividends paid	(88,241)	(73,316)	(45,116)
Net cash provided by / (used in) financing activities	**226,191**	**(110,552)**	**(18,984)**
Net increase / (decrease) in cash and cash equivalents	**20,421**	**(9,819)**	**20,899**
Cash and cash equivalents at beginning of period	**43,551**	**53,370**	**32,471**
Cash and cash equivalents at end of period	**63,972**	**43,551**	**53,370**
Supplemental Cash Flow Information			
Cash paid for interest	$ 14,845	$ 25,864	$ 32,210
Non-Cash Investing and Financing Activities			
Capital expenditures included in liabilities	$ 103	$ 134	$ 252
Offering expenses included in liabilities	$ (7)	$ 1,908	$ —
Capitalized dry docking and deferred costs included in liabilities	$ 628	$ —	$ —
Fair value of vessels purchased, M/V Archimidis and M/V Agamemnon (Notes 3, 5)	$ —	$ 133,000	$ —
Fair value of vessels sold, M/T Alexander the Great and M/T Achilleas, reduced by the net cash consideration received (Notes 3, 5)	$ —	$ (137,500)	$ —
Acquisition of above market time charter (Notes 3, 6)	$ 97,256	$ 4,500	$ 48,551
Units issued to acquire M/V Cape Agamemnon (Note 3)	$ —	$ —	$ 57,055
Crude's net assets at the completion of the business acquisition (Note 12)	$ —	$ —	$ 211,144
Units issued to acquire Crude (Note 3)	$ —	$ —	$ 155,559
Fair value of Crude's Equity Incentive Plan attributable to pre combination services (Note 3)	$ —	$ —	$ 1,505

The accompanying notes are an integral part of these consolidated financial statements.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

1. Basis of Presentation and General Information

Capital Product Partners L.P. (the "Partnership") was formed on January 16, 2007, under the laws of the Marshall Islands. The Partnership is an international shipping company. Its fleet of thirty modern high specification vessels consists of four suezmax crude oil tankers, eighteen modern medium range tankers all of which are classed as IMO II/III vessels, seven post-panamax container carrier vessels and one capesize bulk carrier. Its vessels are capable of carrying a wide range of cargoes, including crude oil, refined oil products, such as gasoline, diesel, fuel oil and jet fuel, edible oils and certain chemicals such as ethanol as well as dry cargo and containerized goods under short-term voyage charters and medium to long-term time and bareboat charters.

The consolidated financial statements include the following vessel-owning companies and operating companies which were all incorporated or formed under the laws of the Marshall Islands and Liberia.

Subsidiary	Date of Incorporation	Name of Vessel Owned by Subsidiary	DWT	Date acquired by the Partnership	Date acquired by CMTC
Capital Product Operating GP LLC	01/16/2007	—	—	—	—
Crude Carriers Corp.(6)	10/29/2009	—	—	09/30/2011	—
Crude Carriers Operating Corp. (6)	01/21/2010	—	—	09/30/2011	—
Shipping Rider Co.	09/16/2003	M/T Atlantas (M/T British Ensign) (1)	36,760	04/04/2007	04/26/2006
Canvey Shipmanagement Co.	03/18/2004	M/T Assos (M/T Insurgentes) (1),(4)	47,872	08/16/2010 04/04/2007	05/17/2006
Centurion Navigation Limited	08/27/2003	M/T Aktoras (M/T British Envoy) (1)	36,759	04/04/2007	07/12/2006
Polarwind Maritime S.A.	10/10/2003	M/T Agisilaos (1)	36,760	04/04/2007	08/16/2006
Carnation Shipping Company	11/10/2003	M/T Arionas (1)	36,725	04/04/2007	11/02/2006
Apollonas Shipping Company	02/10/2004	M/T Avax (1)	47,834	04/04/2007	01/12/2007
Tempest Maritime Inc.	09/12/2003	M/T Aiolos (M/T British Emissary) (1)	36,725	04/04/2007	03/02/2007
Iraklitos Shipping Company	02/10/2004	M/T Axios (1)	47,872	04/04/2007	02/28/2007
Epicurus Shipping Company	02/11/2004	M/T Atrotos (M/T El Pipila) (2),(5)	47,786	03/01/2010 05/08/2007	05/08/2007
Laredo Maritime Inc.	02/03/2004	M/T Akeraios (2)	47,781	07/13/2007	07/13/2007
Lorenzo Shipmanagement Inc.	05/26/2004	M/T Apostolos (2)	47,782	09/20/2007	09/20/2007
Splendor Shipholding S.A.	07/08/2004	M/T Anemos I (2)	47,782	09/28/2007	09/28/2007
Ross Shipmanagement Co.	12/29/2003	M/T Attikos (3),(7)	12,000	09/24/2007	01/20/2005
Sorrel Shipmanagement Inc.	02/07/2006	M/T Alexandros II (M/T Overseas Serifos) (2)	51,258	01/29/2008	01/29/2008
Baymont Enterprises Incorporated	05/29/2007	M/T Amore Mio II (3)	159,982	03/27/2008	07/31/2007
Forbes Maritime Co.	02/03/2004	M/T Aristofanis (3),(8)	12,000	04/30/2008	06/02/2005
Wind Dancer Shipping Inc.	02/07/2006	M/T Aristotelis II (M/T Overseas Sifnos) (2)	51,226	06/17/2008	06/17/2008
Belerion Maritime Co.	01/24/2006	M/T Aris II (M/T Overseas Kimolos) (2)	51,218	08/20/2008	08/20/2008
Mango Finance Corp.	07/14/2006	M/T Agamemnon II (3), (4),(10)	51,238	04/07/2009	11/24/2008
Navarro International S.A.	07/14/2006	M/T Ayrton II (3), (5)	51,238	04/13/2009	04/10/2009
Adrian Shipholding Inc.	06/22/2004	M/T Alkiviadis (3)	36,721	06/30/2010	03/29/2006
Patroklos Marine Corp.	06/17/2008	M/V Cape Agamemnon	179,221	06/09/2011	01/25/2011
Cooper Consultants Co. renamed to Miltiadis M II Carriers Corp.	04/06/2006	M/T Miltiadis M II (6)	162,000	09/30/2011	04/26/2006

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

1. Basis of Presentation and General Information – Continued

Subsidiary	Date of Incorporation	Name of Vessel Owned by Subsidiary	DWT	Date acquired by the Partnership	Date acquired by CMTC
Alexander the Great Carriers Corp.	01/26/2010	M/T Alexander The Great (6),(9)	297,958	09/30/2011	03/26/2010
Achilleas Carriers Corp.	01/26/2010	M/T Achilleas (6),(9)	297,863	09/30/2011	06/25/2010
Amoureux Carriers Corp.	04/14/2010	M/T Amoureux (6)	149,993	09/30/2011	—
Aias Carriers Corp.	04/14/2010	M/T Aias (6)	150,393	09/30/2011	—
Agamemnon Container Carrier Corp.	04/19/2012	M/V Agamemnon (9)	103,773	12/22/2012	06/28/2012
Archimidis Container Carrier Corp.	04/19/2012	M/V Archimidis (9)	103,773	12/22/2012	06/22/2012
Aenaos Product Carrier S.A.	10/16/2013	M/T Aristotelis	51,604	11/28/2013	—
Anax Container Carrier S.A	04/08/2011	M/V Hyundai Prestige	63,010	09/11/2013	02/19/2013
Hercules Container Carrier S.A.	04/08/2011	M/V Hyundai Premium	63,010	03/20/2013	03/11/2013
Iason Container Carrier S.A	04/08/2011	M/V Hyundai Paramount	63,010	03/27/2013	03/27/2013
Thiseas Container Carrier S.A.	04/08/2011	M/V Hyundai Privilege	63,010	09/11/2013	05/31/2013
Cronus Container Carrier S.A.	07/19/2011	M/V Hyundai Platinum	63,010	09/11/2013	06/14/2013
Miltiadis M II Corp.	08/28/2012	-	-	-	-

(1) Initial Vessels acquired from Capital Maritime & Trading Corp. (“CMTC”) upon consummation of the Partnership’s Initial Public Offering (“IPO”) which was completed on April 3, 2007.
(2) Committed Vessels (the Partnership committed to acquire these vessels from CMTC upon consummation of the IPO).
(3) Non-Contracted Vessels (vessels acquired from CMTC that were neither initial nor committed vessels).
(4) Was acquired on April 4, 2007, on April 7, 2009 was exchanged with the M/T Agamemnon II and was reacquired on August 16, 2010.
(5) Was acquired on May 8, 2007, on April 13, 2009 was exchanged with the M/T Ayrton II and was reacquired on March 1, 2010.
(6) Were acquired upon the completion of the business acquisition of Crude Carriers Corp. (“Crude”).
(7) Was sold on February 14, 2012.
(8) Was sold on April 4, 2012.
(9) On December 22, 2012 the M/T Alexander the Great and the M/T Achilleas were exchanged with the M/V Archimidis and the M/V Agamemnon respectively.
(10) Was sold on November 5, 2013.

2. Significant Accounting Policies

(a) ***Principles of Consolidation:*** The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), and include the accounts of the legal entities comprising the Partnership as discussed in Note 1. Intra-group balances and transactions have been eliminated upon consolidation. Balances and transactions with CMTC and its affiliates have not been eliminated, but are presented as balances and transactions with related parties.

(b) ***Use of Estimates:*** The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognized during the reporting period. Actual results could differ from those estimates. Additionally, these consolidated financial statements include corporate overhead expenses that are normally incurred by a listed company.

(c) ***Other Comprehensive Income:*** The Partnership separately records certain transactions directly as components of partners’ capital / stockholders’ equity. For the years ended December 31, 2013 and 2012 other comprehensive income is comprised of changes in fair value of interest rate swaps that qualify as cash flow hedges and the amortization of the accumulated other comprehensive loss attributable to interest rate swaps that do not qualify as cash flow hedges (Note 8).

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

2. Significant Accounting Policies – Continued

(d) ***Accounting for Revenue, Voyage and Operating Expenses***: The Partnership generates its revenues from charterers for the charter hire of its vessels. Vessels are chartered on time charters, bareboat charters or voyage charters. A time charter is a contract for the use of a vessel for a specific period of time and a specified daily charter hire rate, which is generally payable monthly in advance. Some of the Partnership's time charters also include profit sharing provisions, under which the Partnership can realize additional revenues in the event that spot rates are higher than the base rates in these time charters. A bareboat charter is a contract in which the vessel owner provides the vessel to the charterer for a fixed period of time at a specified daily rate, which is generally payable monthly in advance, and the charterer generally assumes all risk and costs of operation during the bareboat charter period. A voyage is deemed to commence upon the later of the completion of discharge of the vessel's previous cargo or upon vessel arrival to the agreed upon port based on the terms of a voyage contract that is not cancelable and voyage is deemed to end upon the completion of discharge of the delivered cargo. Revenues under voyage charter agreements are recognized when a voyage agreement exists, the price is fixed, service is provided and the collection of the related revenue is reasonably assured.

Revenues are recorded over the term of the charter as service is provided and recognized on a pro-rata basis over the duration of the voyage.

All of the Partnership's time charters and bareboat charters are classified as operating leases. Revenues under operating lease arrangements are recognized when a charter agreement exists, charter rate is fixed and determinable, the vessel is made available to the lessee, and collection of the related revenue is reasonably assured. Revenues are recognized ratably on a straight line basis over the period of the respective time or bareboat charter. Revenues from profit sharing arrangements in time charters represent a portion of time charter equivalent (voyage income less direct expenses, divided by operating days), that exceeds the agreed base rate and are recognized in the period earned. Deferred revenue represents cash received in advance of being earned. The portion of the deferred revenue that will be earned within the next twelve months is classified as current liability and the rest as long term liability.

Vessel voyage expenses are direct expenses to voyage revenues and primarily consist of commissions, port expenses, canal dues and bunkers. Commissions are expensed over the related charter period and all the other voyage expenses are expensed as incurred. Under the Partnership's time and bareboat charter agreements, all voyages expenses, except commissions are assumed by the charterer, with the exception of Overseas Shipholding Group Inc. bareboat charter agreements and the exception of the M/T Agamemnon II and the M/T Ayrton II time charter agreements where the charterer is responsible for the commissions. For voyage charters all voyage expenses are paid by the Partnership.

Vessel operating expenses presented in the consolidated financial statements mainly consisted of:

- Management fees payable to the Partnership's manager Capital Shipmanagement Corp. (the "Manager" or "CSM") under three different types of Management agreements (Note 4); and
- Actual operating expenses such as crewing, repairs and maintenance, insurance, stores, spares, lubricants and other operating expenses.

Vessel operating expenses are expensed as incurred.

(e) ***Foreign Currency Transactions:*** The functional currency of the Partnership is the U.S. Dollar because the Partnership's vessels operate in international shipping markets that utilize the U.S. Dollar as the functional currency. The accounting records of the Partnership are maintained in U.S. Dollars. Transactions involving other currencies during the year are converted into U.S. Dollars using the exchange rates in effect at the time of the transactions. At the balance sheet dates, monetary assets and liabilities, which are denominated in currencies other than the U.S. Dollar, are translated into the functional currency using the exchange rate at those dates. Gains or losses resulting from foreign currency transactions are included in interest and other income in the accompanying consolidated statements of comprehensive income / (loss).

(f) ***Cash and Cash Equivalents:*** The Partnership considers highly-liquid investments such as time deposits and certificates of deposit with an original maturity of three months or less to be cash equivalents.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

2. Significant Accounting Policies – Continued

(g) ***Restricted cash:*** For the Partnership to comply with debt covenants under its credit facilities, it must maintain minimum cash deposits. Such deposits are considered by the Partnership to be restricted cash. As of December 31, 2013 and 2012, restricted cash amounted to $15,000 and $10,500, respectively, and is presented under other non-current assets.

(h) ***Trade Accounts Receivable, Net:*** The amount shown as trade accounts receivable primarily consists of earned revenue that has not been billed yet or that it has been billed but not yet collected. At each balance sheet date all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate provision for doubtful accounts. As of December 31, 2013 and 2012 allowance for doubtful accounts amounted to $84 and $54, respectively.

(i) ***Inventories:*** Inventories consist of consumable bunkers, lubricants, spares and stores and are stated at the lower of cost or market value. The cost is determined by the first-in, first-out method.

(j) ***Fixed Assets:*** Fixed assets consist of vessels which are stated at cost, less accumulated depreciation. Vessel cost consists of the contract price for the vessel and any material expenses incurred upon their construction (improvements and delivery expenses, on-site supervision costs incurred during the construction periods, as well as capitalized interest expense during the construction period). Vessels acquired through acquisition of businesses are recorded at their acquisition date fair values. The cost of each of the Partnership's vessels is depreciated beginning when the vessel is ready for its intended use, on a straight-line basis over the vessels' remaining economic useful life, after considering the estimated residual value. Management estimates the scrap value of the Partnership's vessels to be $0.2 per light weight ton (LWT) and useful life to be 25 years.

(k) ***Impairment of Long-lived Assets:*** An impairment loss on long-lived assets is recognized when indicators of impairment are present and the carrying amount of the long-lived asset is greater than its fair value and not believed to be recoverable. In determining future benefits derived from use of long-lived assets, the Partnership performs an analysis of the anticipated undiscounted future net cash flows of the related long-lived assets on a vessel by vessel basis. If the carrying value of the related asset exceeds its undiscounted future net cash flows, the carrying value is reduced to its fair value. Various factors including future charter rates and vessel operating costs are included in this analysis.

In recent years market conditions as compared to previous years have changed significantly as a result of the global credit crisis and resulting slowdown in world trade. Charter rates decreased and values of assets were affected. The Partnership considered these market developments as indicators of potential impairment of the carrying amount of its assets. The Partnership has performed an undiscounted cash flow test based on US GAAP as of December 31, 2013 and 2012, determining undiscounted projected net operating cash flows for the vessels and comparing them to the vessels' carrying values. In developing estimates of future cash flows, the Partnership made assumptions about future charter rates, utilization rates, vessel operating expenses, future dry docking costs and the estimated remaining useful life of the vessels. These assumptions are based on historical trends as well as future expectations that are in line with the Partnership's historical performance and expectations for the vessels' utilization under the current deployment strategy. Based on these assumptions, the Partnership determined that the undiscounted cash flows supported the vessels' carrying amounts as of December 31, 2013 and 2012.

(l) ***Intangible assets:*** The Partnership records all identified tangible and intangible assets or any liabilities associated with the acquisition of a business at fair value. When a business is acquired that owns a vessel with an existing charter agreement, the Partnership determines the present value of the difference between: (i) the contractual charter rate and (ii) the prevailing market rate for a charter of equivalent duration. When determining present value, the Partnership uses Weighted Average Cost of Capital ("WACC"). The resulting above-market (assets) and below-market (liabilities) charters are amortized using straight line method as a reduction and increase, respectively, to revenues over the remaining term of the charters.

(m) ***Deferred charges, net:*** are comprised mainly of:

- fees paid to lenders for obtaining new loans or refinancing existing loans and are capitalized as deferred finance charges and amortized to "interest expense and finance cost" over the term of the respective loan using the effective interest rate method; and
- dry docking costs. The Partnership's vessels are required to be dry docked every thirty to sixty months for major repairs and maintenance that cannot be performed while the vessels are under operation. For the vessels that were operated under the floating fee management agreement and Crude's management agreement (Note 4) the Partnership has adopted the deferral method of accounting for dry docking activities whereby costs incurred are deferred and amortized on a straight line basis over the period until the next scheduled dry docking activity.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

2. Significant Accounting Policies – Continued

(n) ***Pension and Retirement Benefit Obligations***: The vessel-owning companies included in the consolidated financial statements employ the crew on board under short-term contracts (usually up to seven months) and accordingly, they are not liable for any pension or post retirement benefits.

(o) ***Concentration of Credit Risk:*** Financial instruments which potentially subject the Partnership to significant concentrations of credit risk consist principally of cash and cash equivalents, interest rate swaps, and trade accounts receivable. The Partnership places its cash and cash equivalents, consisting mostly of deposits, and enters into interest rate swap agreements with creditworthy financial institutions rated by qualified rating agencies. A limited number of financial institutions hold the Partnership's cash. Most of the Partnership's revenues were derived from a few charterers. For the year ended December 31, 2013, CMTC, British Petroleum Shipping Limited ("BP"), A.P. Moller-Maersk A.S. ("Maersk") and Hyundai Merchant Marine Co Ltd ("HMM") accounted for 32%, 17%, 14% and 13% of the Partnership's total revenue, respectively. For the year ended December 31, 2012, CMTC and BP accounted for 45% and 23% of the Partnership's total revenue, respectively. For the year ended December 31, 2011, BP, CMTC, and Overseas Shipholding Group Inc. ("OSG") accounted for 32%, 24% and 11% of the Partnership's total revenue, respectively. The Partnership does not obtain rights of collateral from its charterers to reduce its credit risk.

(p) ***Fair Value of Financial Instruments:*** On January 1, 2008, the Partnership adopted the accounting guidance for Fair Value Measurements for financial assets and liabilities and any other assets and liabilities carried at fair value. This guidance defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The carrying value of trade receivables, due from related parties, due to related parties, accounts payable and current accrued liabilities approximates their fair value. The fair values of long-term variable rate bank loans approximate the recorded values, due to their variable interest and due to the fact the lenders have the ability to pass on their funding cost to the Partnership under certain circumstances, which reflects their current assessed risk. We believe the terms of our loans are similar to those that could be procured as of December 31, 2013. Interest rate swaps are recorded at fair value on the consolidated balance sheet.

(q) ***Interest Rate Swap Agreements:*** The Partnership designates its derivatives based upon the intended use, and recognizes all derivatives as either assets or liabilities in the consolidated balance sheet and measures those instruments at fair value. Changes in the fair value of each derivative instrument are recorded depending on the intended use of the derivative and the resulting designation. For a derivative that does not qualify as a hedge, changes in fair value are recognized within the consolidated statements of comprehensive income / (loss). For derivatives that qualify as cash flow hedges, the changes in fair value of the effective portion are recognized at the end of each reporting period in Other comprehensive income / (loss), until the hedged item is recognized in the consolidated statements of comprehensive income / (loss). The ineffective portion of a derivative's change in fair value is immediately recognized in the consolidated statements of comprehensive income / (loss).

(r) ***Net Income / (Loss) Per Limited Partner Unit:*** Basic net income per limited partner unit is calculated by dividing Partnership's net income less net income allocable to preferred unit holders, general partner interest in net income (including incentive distribution rights) and net income allocable to unvested units by the weighted-average number of outstanding limited partner units during the period (Note 15). Diluted net income per limited partner unit reflects the potential dilution that could occur if securities or other contracts to issue limited partner units were exercised.

(s) ***Income Taxes:*** The Partnership is not subject to the payment of any income tax on its income. Instead, a tax is levied based on the tonnage of the vessels, which is included in operating expenses (Note 11).

(t) ***Segment Reporting:*** The Partnership reports financial information and evaluates its operations by charter revenues and not by the length, type of vessel or type of ship employment for its customers, i.e. time or bareboat charters. The Partnership does not use discrete financial information to evaluate the operating results for each such type of charter or vessel. Although revenue can be identified for these types of charters or vessels, management cannot and does not identify expenses, profitability or other financial information for these various types of charters or vessels. As a result, management, including the chief operating decision maker, reviews operating results solely by revenue per day and operating results of the fleet, and thus the Partnership has determined that it operates as one reportable segment. Furthermore, when the Partnership charters a vessel to a charterer, the charterer is free to trade the vessel worldwide and, as a result, the disclosure of geographic information is impracticable.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

2. Significant Accounting Policies – Continued

(u) ***Omnibus Incentive Compensation Plan:*** Equity compensation expense represents vested and unvested units granted to employees and to non-employee directors, for their services as directors, as well as to non-employees and are included in general and administrative expenses in the consolidated statements of comprehensive income / (loss). These units are measured at their fair value equal to the market value of the Partnership's common units on the grant date. The units that contain a time-based service vesting condition are considered unvested units on the grant date and a total fair value of such units is recognized on a straight-line basis over the requisite service period. In addition, unvested awards granted to non-employees are measured at their then-current fair value as of the financial reporting dates until non-employees complete the service (Note 14).

(v) **Recent Accounting Pronouncements**: There are no recent accounting pronouncements issued during 2013 whose adoption would have a material effect on the Partnership's consolidated financial statements in the current year or expected to have an impact on future years.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions

a. Anax Container Carrier S.A. (M/V Hyundai Prestige)

On September 11, 2013, the Partnership acquired the shares of Anax Container Carrier S.A., the vessel owning company of the M/V Hyundai Prestige (renamed to M/V CCNI Angol) ("Anax") from CMTC for a total consideration of $65,000 following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. The vessel at the time of her acquisition by the Partnership was fixed on a twelve year time charter, with HMM. The time charter commenced in February 2013 and the earliest expiration date under the charter is in December 2024.

The Partnership accounted for the acquisition of Anax as an acquisition of a business. All assets and liabilities of Anax except the vessel, necessary permits and time charter agreement, were retained by CMTC. The purchase price of the acquisition has been allocated to the identifiable assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain from bargain purchase.

- ***Purchase Price***

The total purchase consideration of $65,000 was funded using a portion of the $75,000 that the Partnership had drawn down under its new loan facility (Note 7), part of the net proceeds from the issuance of 13,685,000 Partnership's Common Units in August 2013 (Note 13) and part of the Partnership's available cash.

- ***Acquisition related costs***

There were no costs incurred in relation to the acquisition of Anax.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Anax and the gain from bargain purchase recorded as non operating income in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013 was calculated as follows:

	As of September 11, 2013
Vessel	$ 54,000
Above market acquired time charter	$ 19,094
Identifiable assets	**$ 73,094**
Purchase price	(65,000)
Gain from bargain purchase	**$ 8,094**

After a subsequent review and reassessment of valuation methods and procedures of the $73,094 fair value amount for identifiable assets acquired, the Partnership concluded that its measurements for the assets acquired appropriately reflect consideration of all available information that existed as of the acquisition date. Therefore, the Partnership recorded a gain from bargain purchase of $8,094 in its consolidated statements of comprehensive income / (loss), in accordance with Accounting Standard Codification ("ASC") Subtopic 805-30 "Business Combinations, Goodwill or Gain from Bargain Purchase, Including Consideration Transferred" as of the Anax acquisition date.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

a. Anax Container Carrier S.A. (M/V Hyundai Prestige) – Continued

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Anax which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of September 11, 2013	Duration of time charter acquired
Above market acquired time charter	$ 19,094	11.3 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate at which the vessel was fixed at and the market rate for a comparable charter as provided by independent third parties on the business combination date discounted at a WACC of approximately 11%.

Total revenues and net income of M/V Hyundai Prestige since its acquisition by the Partnership were $2,778 and $1,298 respectively and are included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013.

- ***Pro Forma Financial Information***

The supplemental pro forma financial information was prepared using the acquisition method of accounting and is based on the following:

- The Partnership's actual results of operations for the year ended December 31, 2013
- Pro forma results of operations of Anax for the period from its vessel's delivery from the shipyard on February 19, 2013 (vessel inception) to September 11, 2013 as if Hyundai Prestige was operating under post acquisition revenue and cost structure.

The combined results do not purport to be indicative of the results of the operations which would have resulted had the acquisition been effected at beginning of the applicable period noted above, or the future results of operations of the combined entity.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

a. Anax Container Carrier S.A. (M/V Hyundai Prestige) – Continued

- ***Pro Forma Financial Information – Continued***

The following table summarizes total net revenues; net income and net income per common unit of the combined entity had the acquisition of Hyundai Prestige occurred on February 19, 2013 (vessel inception):

		For the year ended December 31, 2013
Total revenues	$	176,535
Partnership's net income	**$**	**100,624**
Preferred unit holders' interest in Partnership's net income	$	18,805
General Partner's interest in Partnership's net income	$	1,621
Common unit holders interest in Partnership's net income	**$**	**80,198**
Net income per common unit basic	**$**	**1.05**
Net income per common unit diluted	**$**	**1.02**

b. Thiseas Container Carrier S.A. (M/V Hyundai Privilege)

On September 11, 2013, the Partnership acquired the shares of Thiseas Container Carrier S.A., the vessel owning company of the M/V Hyundai Privilege ("Thiseas") from CMTC for a total consideration of $65,000 following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. The vessel at the time of her acquisition by the Partnership was fixed on a twelve year time charter, with HMM. The time charter commenced in May 2013 and the earliest expiration date under the charter is in April 2025.

The Partnership accounted for the acquisition of Thiseas as an acquisition of a business. All assets and liabilities of Thiseas except the vessel, necessary permits and time charter agreement, were retained by CMTC. The purchase price of the acquisition has been allocated to the identifiable assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain from bargain purchase.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

b. Thiseas Container Carrier S.A. (M/V Hyundai Privilege) – Continued

- ***Purchase Price***

The total purchase consideration of $65,000 was funded using a portion of the $75,000 that the Partnership had drawn down under its new loan facility (Note 7), part of the net proceeds from the issuance of 13,685,000 Partnership's Common Units in August 2013 (Note 13) and part of the Partnership's available cash.

- ***Acquisition related costs***

There were no costs incurred in relation to the acquisition of Thiseas.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Thiseas and the gain from bargain purchase recorded as non operating income in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013 was calculated as follows:

	As of September 11, 2013
Vessel	$ 54,000
Above market acquired time charter	$ 19,329
Identifiable assets	**$ 73,329**
Purchase price	(65,000)
Gain from bargain purchase	**$ 8,329**

After a subsequent review and reassessment of valuation methods and procedures of the $73,329 fair value amount for identifiable assets acquired, the Partnership concluded that its measurements for the assets acquired appropriately reflect consideration of all available information that existed as of the acquisition date. Therefore, the Partnership recorded a gain from bargain purchase of $8,329 in its consolidated statements of comprehensive income / (loss), in accordance with Accounting Standard Codification ("ASC") Subtopic 805-30 "Business Combinations, Goodwill or Gain from Bargain Purchase, Including Consideration Transferred" as of the Thiseas acquisition date.

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Thiseas which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of September 11, 2013	Duration of time charter acquired
Above market acquired time charter	$ 19,329	11.6 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate at which the vessel was fixed at and the market rate for a comparable charter as provided by independent third parties on the business combination date discounted at a WACC of approximately 11%.

Total revenues and net income of M/V Hyundai Privilege since its acquisition by the Partnership were $2,785 and $1,392 respectively and are included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

b. Thiseas Container Carrier S.A. (M/V Hyundai Privilege) – Continued

- ***Pro Forma Financial Information***

The supplemental pro forma financial information was prepared using the acquisition method of accounting and is based on the following:

- The Partnership's actual results of operations for the year ended December 31, 2013
- Pro forma results of operations of Thiseas for the period from its vessel's delivery from the shipyard on May 31, 2013 (vessel inception) to September 11, 2013 as if Hyundai Privilege was operating under post acquisition revenue and cost structure.

The combined results do not purport to be indicative of the results of the operations which would have resulted had the acquisition been effected at beginning of the applicable period noted above, or the future results of operations of the combined entity.

The following table summarizes total net revenues; net income and net income per common unit of the combined entity had the acquisition of Hyundai Privilege occurred on May 31, 2013 (vessel inception):

Total revenues	$	174,045
Partnership's net income	**$**	**100,144**
Preferred unit holders' interest in Partnership's net income	$	18,805
General Partner's interest in Partnership's net income	$	1,611
Common unit holders interest in Partnership's net income	**$**	**79,728**
Net income per common unit basic	**$**	**1.04**
Net income per common unit diluted	**$**	**1.01**

c. Cronus Container Carrier S.A. (M/V Hyundai Platinum)

On September 11, 2013, the Partnership acquired the shares of Cronus Container Carrier S.A., the vessel owning company of the M/V Hyundai Platinum ("Cronus") from CMTC for a total consideration of $65,000 following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. The vessel at the time of her acquisition by the Partnership was fixed on a twelve year time charter, with HMM. The time charter commenced in June 2013 and the earliest expiration date under the charter is in April 2025.

The Partnership accounted for the acquisition of Cronus as an acquisition of a business. All assets and liabilities of Cronus except the vessel, necessary permits and time charter agreement, were retained by CMTC. The purchase price of the acquisition has been allocated to the identifiable assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain from bargain purchase.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

c. Cronus Container Carrier S.A. (M/V Hyundai Platinum) – Continued

- ***Purchase Price***

The total purchase consideration of $65,000 was funded using a portion of the $75,000 that the Partnership had drawn down under its new loan facility (Note 7), part of the net proceeds from the issuance of 13,685,000 Partnership's Common Units in August 2013 (Note 13) and part of the Partnership's available cash.

- ***Acquisition related costs***

There were no costs incurred in relation to the acquisition of Cronus.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Cronus and the gain from bargain purchase recorded as non operating income in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013 was calculated as follows:

	As of September 11, 2013
Vessel	$ 54,000
Above market acquired time charter	$ 19,358
Identifiable assets	**$ 73,358**
Purchase price	(65,000)
Gain from bargain purchase	**$ 8,358**

After a subsequent review and reassessment of valuation methods and procedures of the $73,358 fair value amount for identifiable assets acquired, the Partnership concluded that its measurements for the assets acquired appropriately reflect consideration of all available information that existed as of the acquisition date. Therefore, the Partnership recorded a gain from bargain purchase of $8,358 in its consolidated statements of comprehensive income / (loss), in accordance with Accounting Standard Codification ("ASC") Subtopic 805-30 "Business Combinations, Goodwill or Gain from Bargain Purchase, Including Consideration Transferred" as of the Cronus acquisition date.

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Cronus which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of September 11, 2013	Duration of time charter acquired
Above market acquired time charter	$ 19,358	11.6 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate at which the vessel was fixed at and the market rate for a comparable charter as provided by independent third parties on the business combination date discounted at a WACC of approximately 11%.

Total revenues and net income of M/V Hyundai Platinum since its acquisition by the Partnership were $2,786 and $1,357 respectively and are included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

c. Cronus Container Carrier S.A. (M/V Hyundai Platinum) – Continued

- ***Pro Forma Financial Information***

The supplemental pro forma financial information was prepared using the acquisition method of accounting and is based on the following:

- The Partnership's actual results of operations for the year ended December 31, 2013
- Pro forma results of operations of Cronus for the period from its vessel's delivery from the shipyard on June 14, 2013 (vessel inception) to September 11, 2013 as if Hyundai Platinum was operating under post acquisition revenue and cost structure.

The combined results do not purport to be indicative of the results of the operations which would have resulted had the acquisition been effected at beginning of the applicable period noted above, or the future results of operations of the combined entity.

The following table summarizes total net revenues; net income and net income per common unit of the combined entity had the acquisition of Hyundai Platinum occurred on June 14, 2013 (vessel inception):

Total revenues	$	173,699
Partnership's net income	**$**	**100,031**
Preferred unit holders' interest in Partnership's net income	$	18,805
General Partner's interest in Partnership's net income	$	1,609
Common unit holders interest in Partnership's net income	**$**	**79,617**
Net income per common unit basic	**$**	**1.04**
Net income per common unit diluted	**$**	**1.01**

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

d. Hercules Container Carrier S.A. (M/V Hyundai Premium)

On March 20, 2013, the Partnership acquired the shares of Hercules Container Carrier S.A., the vessel owning company of the M/V Hyundai Premium ("Hercules") from CMTC for a total consideration of $65,000 following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. The vessel at the time of her acquisition by the Partnership was fixed on a twelve year time charter, with HMM. The time charter commenced in March 2013 and the earliest expiration date under the charter is in January 2025.

The Partnership accounted for the acquisition of Hercules as an acquisition of a business. All assets and liabilities of Hercules except the vessel, necessary permits and time charter agreement, were retained by CMTC. The purchase price of the acquisition has been allocated to the identifiable assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain from bargain purchase.

- ***Purchase Price***

The total purchase consideration of $65,000 was funded by $27,000 through a draw-down from the Partnership's $350,000 credit facility (Note 7), by $36,279 representing part of the net proceeds from the issuance of 9,100,000 Partnership's Class B Convertible Preferred Units in March 2013 (Note 13) and by $1,721 from the Partnership's available cash.

- ***Acquisition related costs***

There were no costs incurred in relation to the acquisition of Hercules.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Hercules and the gain from bargain purchase recorded as non operating income in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013 was calculated as follows:

	As of March 20, 2013
Vessel	$ 54,000
Above market acquired time charter	$ 19,707
Identifiable assets	**$ 73,707**
Purchase price	(65,000)
Gain from bargain purchase	**$ 8,707**

After a subsequent review and reassessment of valuation methods and procedures of the $73,707 fair value amount for identifiable assets acquired, the Partnership concluded that its measurements for the assets acquired appropriately reflect consideration of all available information that existed as of the acquisition date. Therefore, the Partnership recorded a gain from bargain purchase of $8,707 in its consolidated statements of comprehensive income / (loss), in accordance with Accounting Standard Codification ("ASC") Subtopic 805-30 "Business Combinations, Goodwill or Gain from Bargain Purchase, Including Consideration Transferred" as of the Hercules acquisition date.

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Hercules which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of March 20, 2013	Duration of time charter acquired
Above market acquired time charter	$ 19,707	11.8 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate at which the vessel was fixed at and the market rate for a comparable charter as provided by independent third parties on the business combination date discounted at a WACC of approximately 11%.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

d. Hercules Container Carrier S.A. (M/V Hyundai Premium) – Continued

Total revenues and net income of M/V Hyundai Premium since its acquisition by the Partnership were $7,181 and $3,567 respectively and are included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013.

- ***Pro Forma Financial Information***

The supplemental pro forma financial information was prepared using the acquisition method of accounting and is based on the following:

- The Partnership's actual results of operations for the year ended December 31, 2013
- Pro forma results of operations of Hercules for the period from its vessel's delivery from the shipyard on March 11, 2013 (vessel inception) to March 20, 2013 as if Hyundai Premium was operating under post acquisition revenue and cost structure.

The combined results do not purport to be indicative of the results of the operations which would have resulted had the acquisition been effected at beginning of the applicable period noted above, or the future results of operations of the combined entity.

The following table summarizes total net revenues; net income and net income per common unit of the combined entity had the acquisition of Hyundai Premium occurred on March 11, 2013 (vessel inception):

Total revenues	$	171,717
Partnership's net income	**$**	**99,571**
Preferred unit holders' interest in Partnership's net income	$	18,805
General Partner's interest in Partnership's net income	$	1,600
Common unit holders interest in Partnership's net income	**$**	**79,166**
Net income per common unit basic	**$**	**1.04**
Net income per common unit diluted	**$**	**1.01**

e. Iason Container Carrier S.A. (M/V Hyundai Paramount)

On 27 March 2013, the M/V Hyundai Paramount ("Iason") was delivered to CMTC from a shipyard and on the same date the Partnership acquired the shares of Iason Container Carrier S.A., the vessel owning company of M/V Hyundai Paramount from CMTC for a total consideration of $65,000 following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. At the time of her acquisition by the Partnership the vessel was fixed on a twelve year time charter, with HMM. The time charter commenced in April 2013 and the earliest expiration date under the charter is in February 2025.

The Partnership accounted for the acquisition of Iason as an acquisition of a business. All assets and liabilities of Iason except the vessel, necessary permits and time charter agreement, were retained by CMTC. The purchase price of the acquisition has been allocated to the identifiable assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain from bargain purchase.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

e. Iason Container Carrier S.A. (M/V Hyundai Paramount) – Continued

- ***Purchase Price***

The total purchase consideration of $65,000 was funded by $27,000 through a draw-down from the Partnership's $350,000 credit facility (Note 7), by $36,278 representing part of the net proceeds from the issuance of Partnership's Class B Convertible Preferred Units in March 2013 (Note 13) and by $1,722 from the Partnership's available cash.

- ***Acquisition related costs***

There were no costs incurred in relation to the acquisition of Iason.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Iason and the gain from bargain purchase recorded as non operating income in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013 was calculated as follows:

	As of March 27, 2013
Vessel	$ 54,000
Above market acquired time charter	$ 19,768
Identifiable assets	**$ 73,768**
Purchase price	$ (65,000)
Gain from bargain purchase	**$ 8,768**

After a subsequent review and reassessment of valuation methods and procedures of the $73,768 fair value amount for identifiable assets acquired, the Partnership concluded that its measurements for the assets acquired appropriately reflect consideration of all available information that existed as of the acquisition date. Therefore, the Partnership recorded a gain from bargain purchase of $8,768 in its consolidated statements of comprehensive income / (loss), in accordance with ASC Subtopic 805-30 "Business Combinations, Goodwill or Gain from Bargain Purchase, Including Consideration Transferred" as of the Iason acquisition date.

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Iason which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of March 27, 2013	Duration of time charter acquired
Above market acquired time charter	$ 19,768	11.8 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate at which the vessel was fixed at and market rate for comparable charter as provided by independent third parties on the business combination date discounted at a WACC of approximately 11%.

Total revenues and net income of Hyundai Paramount since its acquisition by the Partnership were $6,732 and $3,220 respectively and included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2013.

- ***Pro Forma Financial Information***

There is no pro forma financial information available in relation to the acquisition of Iason as its vessel was under construction up to the date of her acquisition by the Partnership.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

f. Agamemnon Container Carrier Corp. (M/V Agamemnon)

On December 22, 2012, the Partnership acquired the shares of Agamemnon Container Carrier Corp., the vessel owning company of the M/V Agamemnon, ("Agamemnon"), from CMTC in exchange for the shares of the Partnership's wholly owned subsidiary Achilleas Carriers Corp., the vessel owning company of the M/T Achilleas ("Achilleas") following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. The vessel at the time of her acquisition by the Partnership operated under a three year time charter, with Maersk. The time charter commenced in June 2012 and the earliest expiry is in July 2015. Maersk has the option to extend the charter for up to an additional four years. The acquisition of Agamemnon was deemed accretive to the Partnership's distributions.

The Partnership accounted for the acquisition of Agamemnon as an acquisition of a business. All assets and liabilities of Agamemnon except the vessel, necessary permits and time charter agreement, were retained by CMTC. Furthermore up to the date of the exchange of Achilleas Carriers Corp., all assets and liabilities of Achilleas, except the vessel, were retained by the Partnership. CMTC has also waived any compensation for the early termination of the charter of Achilleas. The purchase price of the acquisition has been allocated to the identifiable assets acquired.

- ***Purchase Price***

The total purchase consideration of $70,250 is comprised of:

a) $68,875 representing the fair value of Achilleas, and;

b) $1,375 representing the cash consideration paid to CMTC by the Partnership.

- ***Acquisition related costs***

Acquisition-related costs of approximately $5.0 are included in general and administrative expenses in the consolidated statements of comprehensive income / (loss) for the year ended December 31, 2012.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Agamemnon was calculated as follows:

		As of December 22, 2012
Vessel	$	68,000
Above market acquired time charter	$	2,250
Identifiable assets	**$**	**70,250**
Purchase price	**$**	**(70,250)**

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Agamemnon which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets		As of December 22, 2012	Duration of time charter acquired
Above market acquired time charter	$	2,250	2.6 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate and the market rate for a comparable charter on the business combination date discounted at the WACC of approximately 11%.

Total revenues and net income of Agamemnon since its acquisition by the Partnership were $318 and $185 respectively and included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2012.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

3. Acquisitions – Continued

f. Agamemnon Container Carrier Corp. (M/V Agamemnon) – Continued

- ***Pro Forma Financial Information***

The supplemental pro forma financial information was prepared using the acquisition method of accounting and is based on the following:

- The Partnership's actual results of operations for the year ended December 31, 2012 excluding non recurring transactions such as Achilleas impairment charge of $21,614 (Note 5) as well as the actual results of operations of Achilleas for the period from January 1, 2012 to December 21, 2012 and actual acquisition related costs the Partnership incurred in connection with the acquisition of Agamemnon;
- The Partnership's actual results of operations for the year ended December 31, 2011 adjusted for non recurring transactions such as Achilleas impairment charge of $21,614 and actual acquisition related costs the Partnership incurred in connection with the acquisition of Agamemnon. Achilleas actual results of operations for the period from October 1, 2011 to December 31, 2011 have been excluded from the Partnership's actual results of operations as the vessel owning company of Achilleas was a fully owned subsidiary of Crude which was merged with the Partnership on September 30, 2011 (Note 3i) and;
- Pro forma results of operations of Agamemnon for the period from January 1, 2012 to December 21, 2012 and for the year ended December 31, 2011 as if Agamemnon was operating under post acquisition revenue and cost structure.

The combined results do not purport to be indicative of the results of the operations which would have resulted had the acquisition been effected at beginning of the applicable period noted above, or the future results of operations of the combined entity.The following table summarizes total net revenues; net income / (loss) and net income / (loss) per common unit of the combined entity had the acquisition of Agamemnon occurred on January 1, 2011:

	For the year ended December 31,	
	2012	**2011**
Total revenues	$ 154,227	$ 137,065
Partnership's net income	**2,210**	**72,508**
Preferred unit holders' interest in Partnership's net income	10,809	—
General Partner's interest in Partnership's net (loss) / income	(172)	1,450
Common unit holders interest in Partnership's net (loss) / income	**$ (8,427)**	**$ 71,058**
Net (loss) / income per common unit (basic and diluted)	**$ (0.12)**	**$ 1.51**

g. Archimidis Container Carrier Corp. (M/V Archimidis)

On December 22, 2012, the Partnership acquired the shares of Archimidis Container Carrier Corp., the vessel owning company of the M/V Archimidis, ("Archimidis"), from CMTC in exchange for the shares of the Partnership's wholly owned subsidiary Alexander The Great Carriers Corp., the vessel owning company of the M/T Alexander The Great ("Alexander The Great") following the unanimous recommendation of the conflicts committee and the unanimous approval of the board of directors. The vessel at the time of her acquisition by the Partnership operated under a three year time charter, with Maersk. The time charter commenced in November 2012 and the earliest expiry is in October 2015. Maersk has the option to extend the charter for up to an additional four years. The acquisition of Archimidis was deemed accretive to the Partnership's distributions.

The Partnership accounted for the acquisition of Archimidis as an acquisition of a business. All assets and liabilities of Archimidis except the vessel, necessary permits and time charter agreement, were retained by CMTC. Furthermore up to the date of the exchange of Alexander the Great Carriers Corp., all assets and liabilities of Alexander the Great, except the vessel, were retained by the Partnership. CMTC has also waived any compensation for the early termination of the charter of Alexander the Great. The purchase price of the acquisition has been allocated to the identifiable assets acquired.

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3. Acquisitions – Continued

g. Archimidis Container Carrier Corp. (M/V Archimidis) – Continued

- ***Purchase Price***

The total purchase consideration of $67,250 is comprised of:

a) $68,875 representing the fair value of Alexander the Great and;

b) $1,625 representing the cash consideration the Partnership received by CMTC.

- ***Acquisition related costs***

Acquisition-related costs of approximately $5.0 are included in general and administrative expenses in the consolidated statements of comprehensive income / (loss) for the year ended December 31, 2012.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of identifiable assets of Archimidis was calculated as follows:

	As of December 22, 2012
Vessel	$ 65,000
Above market acquired time charter	$ 2,250
Identifiable assets	**$ 67,250**
Purchase price	**$ (67,250)**

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Archimidis which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of December 22, 2012	Duration of time charter acquired
Above market acquired time charter	$ 2,250	3.0 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate and market rate for comparable charter on the business combination date discounted at the WACC of approximately 11%.

Total revenues and net income of Archimidis since its acquisition by the Partnership were $321 and $178 respectively and included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2012.

- ***Pro Forma Financial Information***

The supplemental pro forma financial information was prepared using the acquisition method of accounting and is based on the following:

- The Partnership's actual results of operations for the year ended December 31, 2012 excluding non recurring transactions such as Alexander the Great impairment charge of $21,564 (Note 5) as well as the actual results of operations of Alexander the Great for the period from January 1, 2012 to December 21, 2012 and actual acquisition related costs the Partnership incurred in connection with the acquisition of Archimidis;
- The Partnership's actual results of operations for the year ended December 31, 2011 adjusted for non recurring transactions such as Alexander the Great impairment charge of $21,564 and actual acquisition related costs the Partnership incurred in connection with the acquisition of Archimidis. Alexander the Great actual results of operations for the period from October 1, 2011 to December 31, 2011 have been excluded from the Partnership's actual results of operations as the vessel owning company of Alexander the Great was a fully owned subsidiary of Crude which was merged with the Partnership on September 30, 2011 (Note 3i) and;
- Pro forma results of operations of Archimidis for the period from January 1, 2012 to December 21, 2012 and for the year ended December 31, 2011, as if Archimidis was operating under post acquisition revenue and cost structure.

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3. Acquisitions – Continued

g. Archimidis Container Carrier Corp. (M/V Archimidis) – Continued

The combined results do not purport to be indicative of the results of the operations which would have resulted had the acquisition been effected at beginning of the applicable period noted above, or the future results of operations of the combined entity.

The following table summarizes total net revenues; net (loss) / income and net (loss) / income per common unit of the combined entity had the acquisitions of Archimidis occurred on January 1, 2011:

	For the year ended December 31,	
	2012	**2011**
Total revenues	$ 155,011	$ 139,890
Partnership's net income	**2,746**	**72,813**
Preferred unit holders' interest in Partnership's net income	10,809	—
General Partner's interest in Partnership's net (loss) / income	(161)	1,456
Common unit holders interest in Partnership's net (loss)/income	**$ (7,902)**	**$ 71,357**
Net (loss)/income per common unit (basic and diluted)	**$ (0.12)**	**$ 1.51**

h. Patroklos Marine Corp. (M/V Cape Agamemnon)

On June 9, 2011, the Partnership acquired the shares of Patroklos Marine Corp., the vessel owning company of the M/V Cape Agamemnon ("Patroklos"), from CMTC as it was deemed accretive to the Partnership's distributions by the board of directors. The vessel at the time of her acquisition by the Partnership operated under a ten year time charter, with Cosco Bulk Carrier Co. Ltd. ("COSCO Bulk"), an affiliate of the COSCO Group. The time charter commenced in July 2010 and the earliest expiry under the charter is in June 2020. The acquisition of Patroklos was unanimously approved by the Partnership's Board of Directors following the unanimous approval and recommendation of the Board's conflicts committee, which is comprised entirely of independent directors.

The Partnership accounted for the acquisition of Patroklos as an acquisition of a business. All assets and liabilities of Patroklos except the vessel, necessary permits and time charter agreement, were retained by CMTC. The purchase price of the acquisition has been allocated to the identifiable assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain from bargain purchase.

- ***Purchase Price***

The total purchase consideration of $83,525 was funded by $1,470 from available cash, $25,000 through a draw down from the Partnership's credit facility with Credit Agricole Emporiki Bank and the remaining through the issuance of 6,958,000 Partnership's common units to CMTC at a price of $8.20 per unit as quoted on the Nasdaq Stock Exchange the date of the acquisition of Patroklos by the Partnership. Furthermore upon the acquisition of Patroklos, the Partnership issued another 142,000 of Partnership's common units. These units were converted into 142,000 of general partner units by the Partnership and delivered to Capital General Partner ("CGP") in order for it to maintain its 2% interest in the Partnership. The Partnership received the amount of $1,470 in exchange for these general partner units.

- ***Acquisition related costs***

Acquisition-related costs of approximately $409 are included in general and administrative expenses in the consolidated statements of comprehensive income / (loss) for the year ended December 31, 2011.

- ***Purchase price allocation***

The allocation of the purchase price to acquired identifiable assets was based on their estimated fair values at the date of acquisition.

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3. Acquisitions – Continued

h. Patroklos Marine Corp. (M/V Cape Agamemnon) – Continued

The fair value allocated to each class of identifiable assets of Patroklos and the gain from bargain purchase recorded as non operating income / (expense), net in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2011 was calculated as follows:

	As of June 9, 2011
Vessel	$ 51,500
Above market acquired time charter	$ 48,551
Identifiable assets	**$ 100,051**
Purchase price	$ (83,525)
Gain from bargain purchase	**$ 16,526**

The gain from bargain purchase of $16,526 has resulted from the decline of the Partnership's common unit price as the 6,958,000 common units which were issued to CMTC were valued at $8.20 per unit as quoted on the Nasdaq Stock Exchange on the day of the acquisition of Patroklos, as compared to the Partnership's common unit price of $10.35 representing a value of Partnership's common unit on the day CMTC and the Partnership agreed on the purchase consideration, including the issuance of these common units.

After a subsequent review and reassessment of valuation methods and procedures of the $100,051 fair value amount for identifiable assets acquired, the Partnership concluded that its measurements for the assets acquired appropriately reflect consideration of all available information that existed as of the acquisition date. Therefore, the Partnership recorded a gain from bargain purchase of $16,526 in accordance with ASC Subtopic 805-30 as of the Patroklos acquisition date.

- ***Identifiable intangible assets***

The following table sets forth the component of the identifiable intangible asset acquired with the purchase of Patroklos which is being amortized over its duration on a straight-line basis as a reduction of revenue:

Intangible assets	As of June 9, 2011	Duration of time charter acquired
Above market acquired time charter	$ 48,551	9.1 years

The fair value of the above market time charter acquired was determined as the difference between the time charter rate and market rate for comparable charter on the business combination date discounted at the WACC of approximately 11%.

Total revenues and net income of Patroklos since its acquisition by the Partnership were $5,305 and $2,899 respectively and included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2011.

i. Crude

On September 30, 2011, the merger between the Partnership and Crude was successfully completed. The exchange ratio of this unit for share transaction was 1.56 Partnership's common units for each Crude share. The Partnership was the surviving entity in the merger and continued to be structured as a master limited partnership. This transaction was deemed accretive to the Partnership's distributions in the long term and it added to the balance sheet strength and financial flexibility of the Partnership.

The Crude acquisition has been accounted for using the acquisition method of accounting. Under the acquisition method of accounting, the total purchase price has been allocated to the all identifiable assets acquired and liabilities assumed with the excess of the fair value of assets acquired and liabilities assumed over the purchase price recorded as a gain from bargain purchase.

- ***Purchase Price***

The total purchase consideration of $157,064 was comprised of:

a) $155,559 representing the value of 24,344,176 Partnership's common units that were issued to Crude's shareholders', based on the exchange ratio of 1.56 Partnership's common units for each Crude share, at a price of $6.39 per unit as quoted on the Nasdaq Stock Exchange on September 30, 2011 the day of the successful closing of the acquisition and;

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3. Acquisitions – Continued

i. Crude – Continued

b) $1,505 representing the fair value attributable to precombination services of Crude's Equity Incentive Plan awards at the closing of the merger on September 30, 2011. Crude's Equity Incentive Plan awards consisted of 399,400 of Crude's common shares which were also exchanged at a ratio of 1.56 into 623,064 Partnership's common units at the closing of the merger.

Furthermore at the closing of the acquisition of Crude the Partnership converted 499,346 of Partnership's common units held by CMTC into 499,346 general partner units and delivered to CGP in order for it to maintain its 2% interest in the Partnership. For these units there was no cash consideration paid to the Partnership.

- ***Acquisition related costs***

Acquisition-related costs of approximately $4,225 were included in general and administrative expenses in the consolidated statements of comprehensive income / (loss) for the year ended December 31, 2011.

- ***Purchase price allocation***

The allocation of the purchase price to all identifiable assets acquired and liabilities assumed was based on their estimated fair values at the date of acquisition.

The fair value allocated to each class of assets and liabilities of Crude and the gain from bargain purchase recorded as non operating income / (expense), net, in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2011 was calculated as follows:

	As of September 30, 2011
Current assets	$ 30,300
Vessels	351,750
Total liabilities	(159,059)
Net assets acquired and liabilities assumed	**$ 222,991**
Purchase price	$ (157,064)
Gain from bargain purchase	**$ 65,927**

The gain from bargain purchase of $65,927 has mainly resulted from:

- the decline of the Partnership's common unit price as the common units which were issued to Crude's shareholders were valued at $6.39 per unit as quoted on the Nasdaq Stock Exchange on the day of the acquisition of Crude as compared to the Partnership's common unit price of $11.27 used to determine the exchange ratio of the unit for share transaction;
- the fair value adjustments for the five crude tanker vessels comprising Crude's fleet on the day of the acquisition and;
- the fair value attributable to precombination services of Crude's Equity Incentive Plan awards included into the purchase consideration.

After a subsequent review and reassessment of valuation methods and procedures of the $222,991 fair value amount for identifiable assets acquired and liabilities assumed, the Partnership concluded that its measurements for the identifiable assets acquired and liabilities assumed appropriately reflect consideration of all available information that existed as of the acquisition date. As a result of the merger and based on ASC Subtopic 805-30 the Partnership recorded a gain from bargain purchase of $65,927 in its consolidated statements of comprehensive income / (loss) as of the acquisition date.

Total revenues and net loss of Crude since its acquisition by the Partnership were $13,327 and $1,399 respectively and included in the Partnership's consolidated statements of comprehensive income / (loss) for the year ended December 31, 2011.

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4. Transactions with Related Parties

The Partnership and its subsidiaries, have related-party transactions with the Manager, arising certain terms of the following three different types of management agreements.

1. ***Fixed fee management agreement:*** At the time of the completion of the IPO, the Partnership entered into an agreement with its Manager , according to which the Manager provides the Partnership with certain commercial and technical management services for a fixed daily fee per managed vessel which covers the commercial and technical management services, the respective vessels' operating costs such as crewing, repairs and maintenance, insurance, stores, spares, and lubricants as well as the cost of the first special survey or next scheduled dry-docking, of each vessel. In addition to the fixed daily fees payable under the management agreement, the Manager is entitled to supplementary compensation for additional fees and costs (as defined in the agreement) of any direct and indirect additional expenses it reasonably incurs in providing these services, which may vary from time to time. The Partnership also pays a fixed daily fee per bareboat chartered vessel in its fleet, mainly to cover compliance and commercial costs, which include those costs incurred by the Manager to remain in compliance with the oil majors' requirements, including vetting requirements;

2. ***Floating fee management agreement:*** On June 9, 2011, the Partnership entered into an agreement with its Manager based on actual expenses per managed vessel with an initial term of five years. Under the terms of this agreement the Partnership compensates its Manager for expenses and liabilities incurred on the Partnership's behalf while providing the agreed services, including, but not limited to, crew, repairs and maintenance, insurance, stores, spares, lubricants and other operating costs. Costs and expenses associated with a managed vessel's next scheduled dry docking are borne by the Partnership and not by the Manager. The Partnership also pays its Manager a daily technical management fee per managed vessel that is revised annually based on the United States Consumer Price Index; and

3. ***Crude management agreement:*** On September 30, 2011, the Partnership completed the acquisition of Crude. The five crude tanker vessels the Partnership acquired continue to be managed under a management agreement entered into in March 2010 with the Manager, whose initial term expires on December 31, 2020. Under the terms of this agreement the Partnership compensates the Manager for all of its expenses and liabilities incurred on the Partnership's behalf while providing the agreed services, including, but not limited to, crew, repairs and maintenance, insurance, stores, spares, lubricants and other operating and administrative costs. The Partnership also pays its Manager the following fees:

   (a) a daily technical management fee per managed vessel that is revised annually based on the United States Consumer Price Index;

   (b) a sale & purchase fee equal to 1% of the gross purchase or sale price upon the consummation of any purchase or sale of a vessel acquired/disposed by Crude; and

   (c) a commercial services fee equal to 1.25% of all gross charter revenues generated by each vessel for commercial services rendered.

   The Manager has the right to terminate the Crude management agreement and, under certain circumstances, could receive substantial sums in connection with such termination. As of March 2013 this termination fee had been adjusted to $9,654.

   All the above three agreements constitute the "Management Agreements".

Under the terms of the fixed fee management agreement, the Manager charged the Partnership for additional fees and costs, relating to insurances deductibles, vetting, and repairs and spares that related to unforeseen events. For the years ended December 31, 2013, 2012 and 2011 such fees amounted to $644, $1,850 and $1,237, respectively. The 2013 and 2011 charge includes the amounts of $330 and $710 that reflect the claim proceeds the Partnership received for the M/T Aristofanis and the M/T Attikos respectively.

On April 4, 2007, the Partnership entered into an administrative services agreement with the Manager, pursuant to which the Manager will provide certain administrative management services to the Partnership such as accounting, auditing, legal, insurance, IT, clerical, investor relations and other administrative services. Also the Partnership reimburses CGP for all expenses which are necessary or appropriate for the conduct of the Partnership's business. The Partnership reimburses the Manager and CGP for reasonable costs and expenses incurred in connection with the provision of these services after the Manager submits to the Partnership an invoice for such costs and expenses, together with any supporting detail that may be reasonably required. These expenses are included in general & administrative expenses in the consolidated statements of comprehensive income / (loss).

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4. Transactions with Related Parties – Continued

Balances and transactions with related parties consisted of the following:

Consolidated Balance Sheets	As of December 31, 2013	As of December 31, 2012
Assets:		
Hire receivable (c)	$ 667	$ —
Due from related parties	**667**	**—**
Total assets	**$ 667**	**$ —**
Liabilities:		
Manager – payments on behalf of the Partnership (a)	$ 12,333	15,957
Management fee payable to CSM (b)	1,353	1,490
Due to related parties	**$ 13,686**	**$ 17,447**
Deferred revenue – current (e)	5,198	4,637
Total liabilities	**$ 18,884**	**$ 22,084**

Consolidated Statements of Income	For the year ended December 31, 2013	2012	2011
Revenues (c)	$54,974	$69,938	$31,799
Voyage expenses	314	554	165
Vessel operating expenses	17,039	23,634	30,516
General and administrative expenses (d)	3,052	3,092	1,630

(a) Manager - Payments on Behalf of Capital Product Partners L.P . : This line item includes the payments made by the Manager on behalf of the Partnership and its subsidiaries.

(b) Management fee payable to CSM : The amount outstanding as of December 31, 2013 and 2012 represents the management fee payable to CSM as a result of the Management Agreements the Partnership entered into with the Manager.

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4. Transactions with Related Parties – Continued

(c) Revenues: The following table includes information regarding the charter agreements were in place between the Partnership and CMTC during 2013 and 2012.

Vessel Name	Time Charter (TC) in years	Commencement of Charter	Termination or earliest expected redelivery	Gross (Net) Daily Hire Rate
M/T Agisilaos	1 TC	08/2011	09/2012	$13.5 ($13.3)
M/T Agisilaos	1 TC	09/2012	09/2013	$13.5 ($13.3)
M/T Agisilaos	1 TC	09/2013	08/2014	$14.3 ($14.1)
M/T Axios	1 TC	06/2012	06/2013	$14.0 ($13.8)
M/T Axios	1 TC	06/2013	05/2014	$14.8 ($14.6)
M/T Arionas	1 TC	10/2011	11/2012	$13.8 ($13.6)
M/T Arionas	1 TC	11/2012	11/2013	$13.8 ($13.6)
M/T Arionas	1 TC	11/2013	10/2014	$14.3 ($14.1)
M/T Alkiviadis	2 TC	06/2010	07/2012	$13.0 ($12.8)
M/T Alkiviadis	1 TC	07/2012	07/2013	$13.4 ($13.2)
M/T Alkiviadis	1 TC	07/2013	06/2014	$14.3 ($14.1)
M/T Amore Mio II	0.9 to 1.2TC	12/2011	03/2012	$18.3 ($18.0)
M/T Amore Mio II	1 TC	12/2013	11/2014	$17.0 ($16.8)
M/T Avax	1 TC	05/2011	05/2012	$14.0 ($13.8)
M/T Avax	1 TC	05/2012	05/2013	$14.0 ($13.8)
M/T Avax	1 TC	05/2013	10/2013	$14.8 ($14.6)
M/T Akeraios	1 TC	07/2011	07/2012	$14.0 ($13.8)
M/T Akeraios	1 TC	07/2012	07/2013	$14.0 ($13.8)
M/T Akeraios	1.5 TC	07/2013	12/2014	$15.0 ($14.8)
M/T Apostolos	1 TC	09/2012	10/2013	$14.0 ($13.8)
M/T Apostolos	1.2 to 1.5 TC	10/2013	12/2014	$14.9 ($14.7)
M/T Anemos I	1.2 to 1.5 TC	12/2013	02/2015	$14.9 ($14.7)
M/T Aristotelis	1.5 to 2 TC	12/2013	06/2015	$17.0 ($16.8)
M/T Miltiadis M II	1 TC	03/2012	09/2012	$18.3 ($18.0)
M/T Alexander the Great(1)	1TC	11/2011	12/2012	$28.0 ($27.7)
M/T Amoureux	1+1 TC	10/2011	1/2014	$20.0+$24.0 ($19.8+$23.7)
M/T Aias	1+1 TC	11/2011	12/2013	$20.0+$24.0 ($19.8+$23.7)
M/T Aias	1 TC	12/2013	11/2014	$24.0 ($23.7)
M/T Agamemnon	1 TC	03/2013	10/2013	$14.5
M/T Achilleas (1)	1TC	01/2012	12/2012	$28.0 ($27.7)

(1) On December 22, 2012, the Partnership acquired the shares of the vessel owning companies of the M/V Agamemnon and the M/V Archimidis from CMTC in exchange of the shares of the vessel owning companies of the M/T Achilleas and the M/T Alexander The Great respectively (Note 3).

(d) General and administrative expenses: This line item mainly includes internal audit, investor relations and consultancy fees.

(e) Deferred Revenue: As of December 31, 2013 and 2012 the Partnership received cash in advance for revenue earned in a subsequent period from CMTC.

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5. Vessels, net

An analysis of vessels is as follows:

	Net book Value
Carrying amount as at January 1, 2012	**$1,073,986**
Acquisition and improvements	133,105
Disposals	(156,128)
Impairment of vessels	(43,178)
Depreciation	(48,235)
Carrying amount as at December 31, 2012	**$ 959,550**
Acquisitions and improvements	308,141
Disposals	(38,923)
Depreciation	(51,949)
Carrying amount as at December 31, 2013	**$1,176,819**

All of the Partnership's vessels as of December 31, 2013 have been provided as collateral to secure the Partnership's credit facilities.

On November 28, 2013, the Company acquired the M/T Aristarchos (renamed M/T Aristotelis), a 51,604 dwt eco type medium range product tanker built in 2013, from an unrelated third party, for a total consideration of $38,141 including initial expenses of $111. The acquisition price was funded from the selling proceeds of the M/T Agamemnon II and from the Partnership's available cash.

On November 5, 2013, the Company disposed the M/T Agamemnon II a 51,238 dwt chemical tanker built in 2008 for net proceeds of $32,192 to an unrelated third party. The Partnership realized a net loss on this disposal of $7,073 as the carrying value of the vessel at the time of her disposal was $38,923. This net loss is presented in the Partnership's consolidated statements of comprehensive income / (loss) as "Loss / (gain) on sale of vessels to third parties". For the year ended December 31 2013, the Partnership has unpaid expenses relating to this sale of $343

On September 11, 2013, the Company acquired the shares of Anax Container Carrier S.A., the vessel owning company of the M/V Hyundai Prestige renamed to CCNI Angol, Thiseas Container Carrier S.A., the vessel owning company of the M/V Hyundai Privilege and Cronus Container Carrier S.A., the vessel owning company of the M/V Hyundai Platinum (Note 3). The vessels were recorded in the Partnership's financial statements at their respective fair values of $54,000 each as quoted by independent brokers at the time of their acquisition by the Partnership

On March 20 and March 27, 2013, the Company acquired the shares of Hercules Container Carrier S.A., the vessel owning company of M/V Hyundai Premium, and Iason Container Carrier S.A., the vessel owning company of the M/V Hyundai Paramount, respectively (Note 3). The vessels were recorded in the Partnership's financial statements at their respective fair values of $54,000 each as quoted by independent brokers at the time of their acquisition by the Partnership.

On December 22, 2012, the Partnership acquired the shares of the vessel owning companies of two post panamax container carrier vessels the M/V Agamemnon and the M/V Archimidis from CMTC in exchange of the shares of the vessel owning companies of two very large crude carrier vessels the M/T Achilleas and the M/T Alexander The Great respectively (Note 3). The M/V Agamemnon and the M/V Archimidis have been recorded in the Partnership's financial statements at their fair value as quoted by independent brokers at the time of the acquisition of $68,000 and $65,000 respectively.

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5. Vessels, net – Continued

In relation to the transaction described above the Partnership recorded an impairment charge of $43,178 which represents the difference between the carrying value of the M/T Achilleas and the M/T Alexander the Great of $180,928 and the fair market value of these vessels of $137,750 as quoted by independent brokers and is presented as "Vessels' impairment charge" in the Partnership's consolidated statements of comprehensive income / (loss). The vessel-owning companies of the M/T Achilleas and the M/T Alexander the Great were deconsolidated from the Partnership accounts as of the date of their disposal to CMTC. Results of operations, cash flows, and assets and liabilities of these vessels prior to their disposal to CMTC are included in the Partnership's consolidated financial statements.

On April 4, 2012 the Company disposed the M/T Aristofanis, a 12,000 dwt, chemical tanker built in 2005 for net proceeds of $9,867, to an unrelated third party. The Partnership realized a net gain on this disposal of $353 as the carrying value of the vessel at the time of her disposal was $9,514.

On February 14, 2012 the Company disposed the M/T Attikos, a 12,000 dwt chemical tanker built in 2005 for net proceeds of $9,807, to an unrelated third party. The Partnership realized a net gain on this disposal of $943 as the carrying value of the vessel at the time of her disposal was $8,864.

During 2012 the M/T Avax, M/T Axios, M/T Akeraios, M/T Apostolos, M/T Anemos and M/T Atrotos (renamed El Pipila) underwent improvements following their respective first special survey. These costs for these six vessels amounted to $105 and were capitalized as part of the respective vessels' historic cost.

6. Above market acquired charters

On September 11, 2013 the Partnership acquired the shares of Anax Container Carrier S.A., Thiseas Container Carrier S.A. and Cronus Container Carrier S.A., the vessel owning companies of the M/V Hyundai Prestige renamed to CCNI Angol, M/V Hyundai Privilege, and M/V Hyundai Platinum, respectively, from CMTC with outstanding time charters to Hyundai which were above the market rates for equivalent time charters prevailing at the time of acquisition. The present value of the above market acquired time charters were estimated by the Partnership at $19,094, $19,329 and $19,358, respectively, and recorded as an asset in the consolidated balance sheet as of the acquisition date (Note 3).

On March 20 and March 27, 2013 the Partnership acquired the shares of Hercules Container Carrier S.A. and Iason Container Carrier S.A., the vessel owning companies of M/V Hyundai Premium and M/V Hyundai Paramount, respectively, from CMTC with outstanding time charters to Hyundai which were above the market rates for equivalent time charters prevailing at the time of acquisition. The present value of the above market acquired time charters were estimated by the Partnership at $19,707 and $19,768, respectively, and recorded as an asset in the consolidated balance sheet as of the acquisition date (Note 3).

In December 22, 2012 the Partnership acquired the shares of Agamemnon and Archimidis, from CMTC with outstanding time charters to Maersk which were above the market rates for equivalent time charters prevailing at the time of acquisition. The present value of the above market acquired time charters were estimated by the Partnership at $2,250 each, and recorded as an asset in the consolidated balance sheet as of the acquisition date (Note 3).

In June 2011 the Partnership acquired the shares of Patroklos, the vessel-owning company of M/V Cape Agamemnon from CMTC with an outstanding time charter to COSCO Bulk terminating in June, 2020, which was above the market rates for equivalent time charters prevailing at the time of acquisition. The present value of the above market acquired time charter was estimated by the Partnership at $48,551, and recorded as an asset in the consolidated balance sheet as of the acquisition date (Note 3).

For the years ended December 31, 2013, 2012 and 2011 revenues included a reduction of 13,594, $7,904 and $5,489 as amortization of the above market acquired charters, respectively.

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6. Above market acquired charters – Continued

An analysis of above market acquired charters is as follows:

Above market acquired charters	M/V Cape Agamemnon	M/T Assos	M/V Agamemnon	M/V Archimidis	M/V Hyundai Premium	M/V Hyundai Paramount	M/V Hyundai Prestige	M/V Hyundai Privilege	M/V Hyundai Platinum	Total
Carrying amount as at January 1, 2012	**$ 45,543**	**$ 5,581**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 51,124**
Acquisitions	—	—	2,250	2,250	—	—	—	—	—	4,500
Amortization	(5,372)	(2,488)	(23)	(21)	—	—	—	—	—	(7,904)
Carrying amount as at December 31, 2012	**$ 40,171**	**$ 3,093**	**$ 2,227**	**$ 2,229**	**$ —**	**$ —**	**$ —**	$ —	$ —	$ **47,720**
Acquisitions	—	—	—	—	19,707	19,768	19,094	19,329	19,358	97,256
Amortization	(5,357)	(2,481)	(864)	(797)	(1,311)	(1,240)	(519)	(513)	(512)	(13,594)
Carrying amount as at December 31, 2013	**$ 34,814**	**$ 612**	**$ 1,363**	**$ 1,432**	**$ 18,396**	**$ 18,528**	**$ 18,575**	**$ 18,816**	**$ 18,846**	**$131,382**

As of December 31, 2013 the remaining carrying amount of unamortized above market acquired time and bare-boat charters was $131,382 and will be amortized in future years as follows:

For the twelve month period ended December 31,	M/V Cape Agamemnon	M/T Assos	M/V Agamemnon	M/V Archimidis	M/V Hyundai Premium	M/V Hyundai Paramount	M/V Hyundai Prestige	M/V Hyundai Privilege	M/V Hyundai Platinum	Total
2014	$ 5,357	$ 612	$ 863	$ 796	$ 1,668	$ 1,670	$ 1,693	$ 1,672	$ 1,669	$ 16,000
2015	5,357	-	500	636	1,668	1,670	1,693	1,672	1,669	14,865
2016	5,372	-	-	-	1,668	1,670	1,697	1,675	1,674	13,756
2017	5,357	-	-	-	1,668	1,670	1,693	1,672	1,669	13,729
2018	5,357	-	-	-	1,668	1,670	1,693	1,672	1,669	13,729
Thereafter	8,014	-	-	-	10,056	10,178	10,106	10,453	10,496	59,303
Total	**$ 34,814**	**$ 612**	**$ 1,363**	**$ 1,432**	**$ 18,396**	**$ 18,528**	**$ 18,575**	**$ 18,816**	**$ 18,846**	**$131,382**

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7. Long-Term Debt

Long-term debt consists of the following:

	Bank Loans	Entity	As of December 31, 2013	As of December 31, 2012	Margin
(i)	Issued in April, 2007 maturing in June, 2017	Capital Product Partners L.P.	$ 250,850	$ 250,850	2.00%
(ii)	Issued in March, 2008 maturing in March 2018	Capital Product Partners L.P.	$ 238,465	188,515	3.00%
(iii)	Issued in June 2011 maturing in March 2018	Capital Product Partners L.P.	$ 19,000	19,000	3.25%
(iv)	Issued in September 2013 maturing in December 2020	Capital Product Partners L.P.	$ 75,000	-	3.50%
	Total		**$ 583,315**	**$ 458,365**	
	Less: Current portion		$ 5,400	-	
	Long-term portion		**$ 577,915**	**$ 458,365**	

As at December 31, 2013, the amounts drawn down under the Partnership's four credit facilities were as follows:

Vessel / Entity	Date	$370,000 Credit Facility (i)	$350,000 Credit Facility (ii)	$25,000 Credit Facility (iii)	$225,000 Senior Secured Credit Facility (iv)
M/T Akeraios	07/13/2007	$ 46,850	$ —	$ —	$ —
M/T Apostolos	09/20/2007	56,000	—	—	—
M/T Anemos I	09/28/2007	56,000	—	—	—
M/T Alexandros II	01/29/2008	48,000	—	—	—
M/T Amore Mio II	03/27/2008	—	46,000	—	—
M/T Aristofanis	04/30/2008	—	11,500	—	—
M/T Aristotelis II	06/17/2008	20,000	—	—	—
M/T Aris II	08/20/2008	24,000	1,584	—	—
M/V Cape Agamemnon	06/09/2011	—	—	19,000	—
M/V Hyundai Premium	03/20/2013	—	24,975	—	—
M/V Hyundai Paramount	03/27/2013	—	24,975	—	—
M/V Hyundai Prestige(CCNI Angol), M/V Hyundai Privilege, M/V Hyundai Platinum	09/06/2013	—	—	—	75,000
Crude Carriers Corp. and its subsidiaries	09/30/2011	—	129,431	—	—
Total		**$ 250,850**	**$ 238,465**	**$ 19,000**	**$ 75,000**

In September 2013 the Partnership entered into a new senior secured credit facility of up to $200,000, which was amended in December, 2013 to upsize it up to $225,000, led by ING Bank N.V. in order to partly finance the acquisition cost of certain vessels. The facility is divided in two tranches. Tranche A consisted of $75,000 which was drawn down on September 11, 2013, in order to part finance the acquisition cost of the shares of Anax Container Carrier S.A., Cronus Container Carrier S.A. and Thiseas Container Carrier S.A. that were the owning companies of the 2013-built 5,000 TEU container vessels "Hyundai Prestige" (renamed to "CCNI Angol"), "Hyundai Privilege" and "Hyundai Platinum" respectively (Note 3). Tranche B, consisted of $150,000, which will be available in multiple advances in order to finance up to 50% of the acquisition cost of certain additional ships or to finance the cost of acquiring the issued share capital of an additional vessel owning company. As of December 31, 2013 the Partnership had not drawn down any amount of Tranche B. The facility is repayable in twenty consecutive quarterly installments, beginning in March 2016, in the amount that provides for the overall thirteen and sixteen year repayment profiles on sub facilities A (Tranche A) and B (Tranche B) respectively, after adjustment for the security vessel age at acquisition date and availability period.

Capital Product Partners L.P.
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7. Long-Term Debt – Continued

All amounts outstanding, including the balloon payment, will become due and payable in December 2020. The facility bears interest at LIBOR plus a margin of 3.50% and commitment fees of 1.0%.

In November, 2013 the Partnership amended its credit facility of $370,000 in order to replace the M/T Agamemnon II which was sold on November 5, 2013 (Note 5) with the M/T Aristotelis as a security.

In March, 2013, the Partnership's credit facility of $350,000 was converted into a term loan, and the undrawn amount of $1,420 was cancelled.

On March 20, and March 27, 2013, the Partnership had drawn in total the amount of $54,000 from the undrawn portion of its $350,000 credit facility in order to partly finance the acquisition of the vessel owning companies of the M/V Hyundai Premium and the M/V Hyundai Paramount respectively (Note 3). The amount of $54,000 is payable in twenty equal consecutive quarterly installments of $1,350 commencing in June 2013 plus a balloon payment of $27,000 in March 2018.

Following the exchange of the M/T Achilleas with the M/V Agamemnon and the M/T Alexander the Great with the M/V Archimidis in December 2012, the Partnership prepaid from its available cash the amount of $5,149 and the M/V Archimidis and the M/V Agamemnon replaced the M/T Alexander the Great and the M/T Achilleas as collateral under its credit facility of $350,000.

Following the issuance of Class B Convertible Preferred Units in May and June 2012 (Note 13), the Partnership prepaid debt of $149,566 across its three credit facilities by using in full the net proceeds of the issuance of $136,419 and an amount of $13,147 from its available cash. Following the debt repayment of $149,566, on May 23, 2012 the Partnership's credit facilities were amended: a) The new amortization schedule will commence in March 2016 b) the margin of the credit facility of $370,000 and $350,000 has increased to 2% and 3% respectively and c) the Partnership's credit facility of $370,000 was converted into a term loan, and the undrawn tranche of $52,500 relating to the credit facility of $350,000 was cancelled.

The Partnership's loan of $370,000 will be repaid in 6 equal consecutive quarterly installments of $12,975 commencing in March, 2016 plus a balloon payment due in June, 2017. The Partnership's credit facilities of $350,000 and $25,000 will be repaid in 9 equal consecutive quarterly installments of $7,855 and $1,000 respectively commencing in March, 2016 plus a balloon payment for each facility due in March, 2018.

On April 4, 2012, an amount of $10,500 was repaid on the Partnership's revolving credit facility of $370,000, from the proceeds of the disposal of its vessel M/T Aristofanis.

On February 15, 2012, an amount of $10,000 was repaid on the Partnership's revolving credit facility of $370,000, from the proceeds of the disposal of its vessel M/T Attikos.

The Partnership's credit facilities contain customary ship finance covenants, including restrictions as to: changes in management and ownership of the mortgaged vessels, the incurrence of additional indebtedness, the mortgaging of vessels, the ratio of EBITDA to Net Interest Expenses shall be no less than 2:1, minimum cash requirement of $500 per vessel, as well as the ratio of net Total Indebtedness to the aggregate Market Value of the total fleet shall not exceed 0.725:1. The credit facilities also contain the collateral maintenance requirement in which the aggregate average fair market value, of the collateral vessels shall be no less than 125% of the aggregate outstanding amount under these facilities. Also the vessel-owning companies may pay dividends or make distributions when no event of default has occurred and the payment of such dividend or distribution has not resulted in a breach of any of the financial covenants. As of December 31, 2013 and 2012 the Partnership was in compliance with all financial debt covenants.

The credit facilities have a general assignment of the earnings, insurances and requisition compensation of the respective vessel or vessels. Each also requires additional security, including: pledge and charge on current account; corporate guarantee from each of the thirty vessel-owning companies, and mortgage interest insurance.

The Partnership's credit facilities contain a "Market Disruption Clause" where the lenders, at their discretion, may impose additional interest margin if their borrowing rate exceeds effective interest rate (LIBOR) stated in the loan agreement with the Partnership. For the years ended December 31, 2013, 2012 and 2011 the Partnership incurred an additional interest expense in the amount of $0, $373 and $1,290 respectively due to the "Market Disruption Clause".

For the years ended December 31, 2013, 2012 and 2011, the Partnership recorded interest expense of $14,982, $25,788 and $32,216, respectively. As of December 31, 2013 and 2012 the weighted average interest rate of the Partnership's loan facilities was 2.81% and 3.11%, respectively.

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7. Long-Term Debt – Continued

The required annual loan payments to be made subsequent to December 31, 2013 are as follows:

	$370,000 Credit Facility (i)	$350,000 Credit Facility (ii)	$25,000 Credit Facility (iii)	$225,000 Senior Secured Credit Facility (iv)	Total
2014	$ -	$ 5,400	$ -	$ -	$ 5,400
2015	-	5,400	-	-	5,400
2016	51,900	36,819	4,000	5,769	98,488
2017	198,950	36,819	4,000	5,769	245,538
2018	-	154,027	11,000	5,769	170,796
Thereafter	-	-	-	57,693	57,693
Total	**$ 250,850**	**$ 238,465**	**$ 19,000**	**$ 75,000**	**$583,315**

8. Derivative Instruments

The Partnership had entered into fourteen interest rate swap agreements in order to mitigate the exposure from interest rate fluctuations. Nine of the Partnership's interest rate swap agreements under its $370,000 credit facility expired as of June 29, 2012 and one was terminated upon the disposal of the M/T Attikos and the M/T Aristofanis. During the year ended December 31, 2012, the Partnership terminated one interest rate swap agreement in full and one partially under its $350,000 credit facility. During the year ended December 31, 2013, the Partnership's three remaining swaps with a notional amount of $59,084 expired.

All derivatives are carried at fair value on the consolidated balance sheet at each period end. Balances as of December 31, 2013 and December 31, 2012 are as follows:

	December 31, 2013		December 31, 2012	
	Interest Rate Swaps	Total	Interest Rate Swaps	Total
Short-term liabilities	$ -	$ -	$ 467	$ 467
Long-term liabilities	$ -	$ -	$ -	$
Total	**$ -**	**$ -**	**$ 467**	**$ 467**

Tabular disclosure of financial instruments is as follows:

Derivative Liabilities		
Balance sheet location	**As of December 31, 2013 Fair value**	**As of December 31, 2012 Fair value**
Derivatives designated as hedging instruments – effective hedges		
Derivative instruments long-term liabilities.	$ -	$ -
Derivative instruments short-term liabilities.	$ -	$ 100
Total derivatives not designated as hedging instruments – ineffective hedges		
Derivative instruments short-term liabilities.	$ -	$ 367
Total Derivative Liabilities	**$ -**	**$ 467**

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8. Derivative Instruments – Continued

The table below shows the effective portion of the hedging relationship of the Partnership's derivatives designated as hedging instruments recognized in Other Comprehensive Income ("OCI"), the realized losses from net interest rate settlements transferred from OCI into the Partnership's consolidated statements of comprehensive income / (loss) and the amounts recognized in the consolidated statements of comprehensive income / (loss) arising from the hedging relationships not qualifying for hedge accounting for the years ended December 31, 2013, 2012 and 2011, respectively:

Derivatives designated in cash flow hedging relationships recognized in OCI (Effective Portion)	Change in Fair Value of Hedging instrument recognized in OCI (Effective Portion)			Location of Gain/(loss) Reclassified into consolidated statements of comprehensive /income (Effective Portion)	Amount of Loss Reclassified from OCI into consolidated statements of comprehensive income (Effective Portion)			Amount of Gain recorded in OCI (Effective Portion)			Location of Gain/(loss) Recognized in the consolidated statements of comprehensive /income (ineffective portion)	Amount of Gain/(Loss) recognized the consolidated statements of comprehensive / income		
	2013	2012	2011		2013	2012	2011	2013	2012	2011		2013	2012	2011
Interest rate swaps	(4)	(1,903)	(4,234)	Interest expense and finance cost	(466)	(12,665)	(21,752)	462	10,762	17,518		4	1,448	2,310

The Partnership follows the accounting guidance for derivative instruments that establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure about fair value measurements. This guidance enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date;

Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Inputs are unobservable inputs for the asset or liability.

The Partnership's interest rate swap agreements, entered into pursuant to its loan agreements, are based on LIBOR swap rates. LIBOR swap rates are observable at commonly quoted intervals for the full terms of the swaps and therefore are considered Level 2 items. The fair values of the interest rate swap determined through Level 2 of the fair value hierarchy are derived principally from or corroborated by observable market data. Inputs include quoted prices for similar assets, liabilities (risk adjusted) and market-corroborated inputs, such as market comparable, interest rates, yield curves and other items that allow value to be determined. Fair value of the interest rate swaps is determined using a discounted cash flow method based on market-base LIBOR swap yield curves.

The fair value of the Partnership's interest rate swaps is the estimated value of the swap agreements at the reporting date, taking into account current interest rates and the forward yield curve and the creditworthiness of the Partnership and its counterparties.

Derivatives	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2012	$467	—	$ 467	—
December 31, 2013	$ —	—	$ —	—

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8. Derivative Instruments – Continued

Since March 31, 2012 and May 23, 2012 two out of three interest rate swaps did not qualify as cash flow hedges and the changes in their fair value was recognized in the consolidated statements of comprehensive income / (loss) whilst the third interest rate swap agreement qualified as a cash flow hedge and the changes in its fair value is recognized in accumulated other comprehensive income / (loss). As a result the amount of $1,400 and $50, which was part of the Partnership's accumulated other comprehensive income / (loss) ("OCL") as of March 31, 2012 and May 23, 2012 respectively, were attributable to the two ineffective hedges and were being amortized over their respective remaining term up to their maturity date March 27, 2013 and March 28, 2013, respectively in the Partnership's consolidated statements of comprehensive income by using the effective interest rate method.

The net result of the accumulated OCL amortization and the change of the fair value of certain interest rate swap agreements of $4, $1,448 and $2,310 is presented under other non operating income (expense) net as a "Gain on interest rate swap agreement" in the Partnership's consolidated statements of comprehensive income/(loss)for the years ended December 31, 2013, 2012 and 2011, respectively.

9. Accrued Liabilities

Accrued liabilities consist of the following:

	As of December 31, 2013	2012
Accrued loan interest and loan fees	$ 312	$ 62
Accrued operating expenses	2,501	1,311
Accrued voyage expenses and commissions	1,543	909
Accrued general and administrative expenses	1,031	499
Total	**$5,387**	**$2,781**

10. Voyage Expenses and Vessel Operating Expenses

Voyage expenses and vessel operating expenses consist of the following:

	For the years ended December 31, 2013	2012	2011
Voyage expenses:			
Commissions	$ 2,742	$ 1,752	$ 1,844
Bunkers	2,473	3,921	8,400
Port expenses	226	-	1,390
Other	649	(5)	96
Total	**$ 6,090**	**$ 5,668**	**$11,730**
Vessel operating expenses:			
Crew costs and related costs	$21,154	$13,230	$ 2,963
Insurance expense	3,780	2,830	784
Spares, repairs, maintenance and other expenses	6,545	2,231	390
Stores and lubricants	5,022	3,115	651
Management fees	16,395	21,784	29,279
Vetting, insurances, spares and repairs (Note 4)	644	1,850	1,237
Other operating expenses	1,783	720	161
Total	**$55,323**	**$45,760**	**$35,465**

11. Income Taxes

Under the laws of the Marshall Islands, the country in which the vessel-owning subsidiaries were incorporated, these companies are not subject to tax on international shipping income. However, they are subject to registration and tonnage taxes in the country in which the vessels are registered and managed from, which have been included in vessel operating expenses in the accompanying consolidated statements of comprehensive income / (loss).

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11. Income Taxes – Continued

Pursuant to Section 883 of the United States Internal Revenue Code (the "Code") and the regulations thereunder, a foreign corporation engaged in the international operation of ships is generally exempt from U.S. federal income tax on its U.S.-source shipping income if the foreign corporation meets both of the following requirements: (a) the foreign corporation is organized in a foreign country that grants an "equivalent exemption" to corporations organized in the United States for the types of shipping income (e.g., voyage, time, bareboat charter) earned by the foreign corporation and (b) more than 50% of the voting power and value of the foreign corporation's stock is "primarily and regularly traded on an established securities market" in the United States and certain other requirements are satisfied (the "Publicly-Traded Test").

The jurisdictions where the Partnership's vessel-owning subsidiaries are incorporated each grants an "equivalent exemption" to United States corporations with respect to each type of shipping income earned by the Partnership's ship-owning subsidiaries. Additionally, our units are only traded on the Nasdaq Global Market, which is considered to be established securities market. The Partnership has satisfied the Publicly-Traded Test for the years ended December 31, 2013, 2012 and 2011 and the ship-owning subsidiaries are exempt from United States federal income taxation with respect to U.S.-source shipping income.

12. Cash Flow

On September 30, 2011 the acquisition of Crude was successfully completed (Note 3). As the merger agreement with Crude was a unit for share transaction no cash consideration was paid and thus the following assets and liabilities of Crude acquired in a non-cash transaction are not included into the Partnership's consolidated statement of cash flows for the year ended December 31, 2011.

Crude's Net Assets	**As of September 30, 2011**
Trade receivables	$ 8,321
Prepayments and other assets	629
Inventories	9,503
Vessels	351,750
Total assets	**370,203**
Trade accounts payable	$ 12,497
Due to related parties	10,457
Accrued liabilities	1,525
Long term debt	134,580
Total liabilities	**159,059**
Total Net Assets	**211,144**

13. Partners' Capital

General: The partnership agreement requires that within 45 days after the end of each quarter, beginning with the quarter ending June 30, 2007, all of the Partnership's available cash will be distributed to unitholders.

Definition of Available Cash: Available Cash, for each fiscal quarter, consists of all cash on hand at the end of the quarter:

- less the amount of cash reserves established by our board of directors to:
  - provide for the proper conduct of the Partnership's business (including reserves for future capital expenditures and for our anticipated credit needs);
  - comply with applicable law, any of the Partnership's debt instruments, or other agreements; or
  - provide funds for distributions to the Partnership's unitholders and to the general partner for any one or more of the next four quarters;
- plus all cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made after the end of the quarter. Working capital borrowings are generally borrowings that are made under our credit agreement and in all cases are used solely for working capital purposes or to pay distributions to partners.

General Partner Interest and Incentive Distribution Rights: The General Partner has an approximate 2% interest in the Partnership as well as the incentive distribution rights. In accordance with Section 5.2(b) of the Partnership Agreement, upon the issuance of additional units by the Partnership, the general partner may elect to make a contribution to the Partnership to maintain its 2% interest.

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13. Partners' Capital – Continued

Incentive distribution rights represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after the minimum quarterly distribution and the target distribution levels have been achieved. The Partnership's general partner as of December 31, 2013, 2012 and 2011 holds the incentive distribution rights.

The following table illustrates the percentage allocations of the additional available cash from operating surplus among the unitholders and general partner up to the various target distribution levels. The amounts set forth under "Marginal Percentage Interest in Distributions" are the percentage interests of the unitholders and general partner in any available cash from operating surplus that is being distributed up to and including the corresponding amount in the column "Total Quarterly Distribution Target Amount," until available cash from operating surplus we distribute reaches the next target distribution level, if any. The percentage interests shown for the unitholders and general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution.

		Marginal Percentage Interest in Distributions	
	Total Quarterly Distribution Target Amount per Unit	Unitholders	General Partner
Minimum Quarterly Distribution	$0.3750	98%	2%
First Target Distribution	up to $0.4313	98%	2%
Second Target Distribution	above $0.4313 up to $0.4688	85%	15%
Third Target Distribution	above $0.4688 up to $0.5625	75%	25%
Thereafter	above $0.5625	50%	50%

Distributions of Available Cash From Operating Surplus After the Subordination Period: Our Partnership agreement requires that we will make distributions of available cash from operating surplus for any quarter after the subordination period in the following manner:

- first, 98% to all unitholders, pro rata, and 2.0% to our general partner, until we distribute for each outstanding unit an amount equal to the minimum quarterly distribution for that quarter; and
- Thereafter, in the manner described in the above table under section "General Partner Interest and Incentive Distribution Rights".

In August 2013, the Partnership completed successfully an equity offering of 13,685,000 common units, including 1,785,000 common units representing the overallotment option which was fully exercised, at a net price of $9.25 per common unit, receiving proceeds of $120,696 after the deduction of the underwriters' commissions. After the deduction of expenses relating to this equity offering the net proceeds of this offering amounted to $119,811. The net proceeds were used to partially fund the acquisition cost of the vessel owning companies of the M/V Hyundai Prestige, the M/V Hyundai Privilege and the M/V Hyundai Platinum from CMTC (Note 3). CMTC participated in both the offering and the exercise of the over-allotment option and purchased 279,286 units at the public offering price, subsequently, in August 2013, converting 349,700 common units into general partner units in order CGP to maintain its 2% interest in the Partnership.

During 2013 various investors' holders of Class B Convertible Preferred Units converted 5,733,333 Class B Convertible Preferred Units into common units.

On March 15, 2013 the Partnership entered into a Class B Convertible Preferred Unit Subscription Agreement (the "Agreement") in order to issue 9,100,000 Class B Convertible Preferred Units at a price of $8.25 per Class B Convertible Preferred Unit to a group of investors including among others Kayne Anderson Capital Advisors L.P., Oaktree Capital Management, L.P. and CMTC. The Partnership used the net proceeds of $72,557 to partially fund the acquisition of the vessel owning companies of the M/V Hyundai Premium and the M/V Hyundai Paramount from CMTC (Note 3).

On May 23, and June 6, 2012 the Partnership entered into a Class B Convertible Preferred Unit Subscription Agreement (the "Agreement") with various investors. According to this Agreement the Partnership issued 15,555,554 Class B Convertible Preferred Units to a group of investors including Kayne Anderson Capital Advisors L.P., Swank Capital LLC, Salient Partners, Spring Creek Capital LLC, Mason Street Advisors LLC and CMTC for net proceeds of $136,419. The Partnership used the net proceeds to prepay part of its debt (Note 7). The holders of the Class B Convertible Preferred Units have the right to convert all or a portion of such Class B Convertible Preferred Units at any time into Common Units at the conversion price of $9 per Class B Convertible Preferred Unit and a conversion rate of one Common Unit per one Class B Convertible Preferred Unit. The Conversion Ratio and the Conversion Price shall be adjusted upon the occurrence of certain events as described to the Agreement.

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(In thousands of United States Dollars)

13. Partners' Capital – Continued

Commencing on May 23, 2015, in the event the 30-day volume-weighted average trading price ("VWAP") and the daily VWAP of the Common Units on the National Securities Exchange on which the Common Units are listed or admitted to trading exceeds 130% of the then applicable Conversion Price for at least 20 Trading Days out of the 30 consecutive Trading Day period used to calculate the 30-day VWAP (the "Partnership Mandatory Conversion Event") the Partnership acting pursuant to direction and approval of the Conflicts Committee (following consultation with the full board of directors), shall have the right to convert the Class B Convertible Preferred Units then outstanding in whole or in part into Common Units at the then-applicable Conversion Ratio.

The holders of the outstanding Class B Convertible Preferred Units as of an applicable record date shall be entitled to receive, when, as and if authorized by the Partnership's board of directors or any duly authorized committee, out of legally available funds for such purpose, (a) first, the minimum quarterly Class B Convertible Preferred Unit Distribution Rate on each Class B Convertible Preferred Unit and (b) second, any cumulative Class B Convertible Preferred Unit Arrearage then outstanding, prior to any other distributions made in respect of any other Partnership Interests pursuant to this Agreement in cash. The minimum quarterly Class B Convertible Preferred Unit Distribution Rate shall be payable quarterly which is generally expected to be February 10, May 10, August 10 and November 10, or, if any such date is not a business day, the next succeeding business day.

Any distribution payable on the Class B Convertible Preferred Units for any partial quarter (other than the initial distribution payable on the Class B Convertible Preferred Units for the period from May 22, 2012 through June 30, 2012 that equals to $0.26736 for each Class B Convertible Preferred Unit) shall equal the product of the minimum quarterly Class B Convertible Preferred Unit distribution rate of $0.21375 (equals to a 9.5% annual distribution rate, subject to adjustment in the cases where clause of change of control, and/or clause of cross default provisions of the "Agreement" applies).

No distribution on the Class B Convertible Preferred Units shall be authorized by the board of directors or declared or paid or set apart for payment by the Partnership at such time as the terms and provisions of any agreement of the Partnership, including any agreement relating to its indebtedness, prohibits such authorization, declaration, payment or setting apart for payment or provides that such authorization, declaration, payment or setting apart for payment would constitute a breach thereof, or a default thereunder, or if such authorization, declaration, payment or setting apart for payment shall be restricted or prohibited by law. The foregoing, distributions with respect to the Class B Convertible Preferred Units shall accumulate as of the Class B Convertible Preferred Unit distribution payment date on which they first become payable whether or not any of the foregoing restrictions in above exist, whether or not there is sufficient Available Cash for the payment thereof and whether or not such distributions are authorized. A cumulative Class B Convertible Preferred Unit arrearage shall not bear interest and holders of the Class B Convertible Preferred Units shall not be entitled to any distributions, whether payable in cash, property or Partnership Interests, in excess of the then cumulative Class B Convertible Preferred Unit arrearage plus the minimum quarterly Class B Convertible Preferred Unit distribution rate for such quarter.

With respect to Class B Convertible Preferred Units that are converted into Common Units, the holder thereof shall not be entitled to a Class B Convertible Preferred Unit distribution and a Common Unit distribution with respect to the same period, but shall be entitled only to the distribution to be paid based upon the class of Units held as of the close of business on the record date for the distribution in respect of such period; provided , however , that the holder of a converted Class B Convertible Preferred Unit shall remain entitled to receive any accrued but unpaid distributions due with respect to such Unit on or as of the prior Class B Convertible Preferred Unit distribution payment date; and provided, further , that if the Partnership exercises the Partnership Mandatory Conversion Right to convert the Class B Convertible Preferred Units pursuant to this Agreement then the holders' rights with respect to the distribution for the Quarter in which the Partnership Mandatory Conversion Notice is received is as set forth in this Agreement.

As of December 31, 2013 and 2012 our partners' capital included the following units:

	As of December 31, 2013	As of December 31, 2012
Common units	88,440,710	69,372,077
General partner units	1,765,457	1,415,757
Preferred units	18,922,221	15,555,554
Total partnership units	**109,128,388**	**86,343,388**

During the years ended December 31, 2013, 2012 and 2011, the Partnership declared and paid dividends amounting to $88,241, $73,316 and $45,116, respectively.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

14. Omnibus Incentive Compensation Plan

a. Partnership's Omnibus Incentive Compensation Plan

On April 29, 2008, the board of directors approved the Partnership's Omnibus Incentive Compensation Plan (the "Plan") according to which the Partnership may issue a limited number of awards, not to exceed 500,000 units. The Plan was amended on July 22, 2010 increasing the aggregate number of restricted units issuable under the Plan to 800,000. The Plan is administered by the General Partner as authorized by the board of directors. The persons eligible to receive awards under the Plan are officers, directors, and executive, managerial, administrative and professional employees of the Manager, or CMTC, or other eligible persons (collectively, "key persons") as the General Partner, in its sole discretion, shall select based upon such factors as it deems relevant. Members of the board of directors are considered to be employees of the Partnership ("Employees") for the purposes of recognition of equity compensation expense, while employees of the Manager, CMTC and other eligible persons under the plan are not considered to be employees of the Partnership ("Non-Employees"). Awards may be made under the Plan in the form of incentive stock options, non-qualified stock options, stock appreciation rights, dividend equivalent rights, restricted stock, unrestricted stock, restricted stock units and performance shares.

On August 25 and 31, 2010 CGP awarded 448,000 and 347,200 unvested units to Employees and Non-Employees, respectively. Awards granted to certain Employees vest in three equal annual installments. The remaining awards vested on August 31, 2013.

All unvested units were conditional upon the grantee's continued service as Employee and/or Non-Employee until the applicable vesting date.

The unvested units accrued distributions as declared and paid which were retained by the custodian of the Plan until the vesting date at which were payable to the grantee. As unvested unit grantees accrued distributions on awards that were expected to vest, such distributions were charged to Partner's capital.

b. Crude's Equity Incentive Plan

On March 1, 2010 Crude adopted an equity incentive plan according to which Crude issued 399,400 shares out of 400,000 restricted shares that were authorized. Members of the board of directors were considered to be employees of Crude ("Employees"), while employees of Crude's affiliates and other eligible persons under this plan were not considered to be employees of Crude ("Non-Employees"). Awards granted to certain Employees vest in three equal annual installments. The remaining awards vested on August 31, 2013.

All unvested units were conditional upon the grantee's continued service as Employee and/or Non-Employee until the applicable vesting date.

The unvested units accrued distributions as declared and paid which were retained by the custodian of the Plan until the vesting date at which were payable to the grantee. As unvested shares grantees accrued dividends on awards that were expected to vest, such dividends were charged to Stockholders' equity prior to Crude's acquisition and were charged to the Partner's capital subsequently to the acquisition.

c. Acquisition of Crude by the Partnership

Upon the completion of the acquisition of Crude by the Partnership on September 30, 2011, the Crude's Equity Incentive Plan existing that date was incorporated into the Partnership's Plan at a ratio of 1.56 common Partnership's unit for each Crude share. The 205,000 unvested shares of Crude's Employee award converted to 319,800 Partnership's unvested units and the 194,400 unvested shares of Crude's Non-Employee award converted to 303,264 Partnership's unvested units. The terms and conditions of both plans are significantly the same and remained unchanged after the acquisition, with the exception of 20,000 Crude shares, which were converted to 31,200 Partnership's units upon the completion of the acquisition. These Crude shares were held by those members of the Crude's Independent Committee who were not designated by Crude to serve as a member of the Partnership board of directors and were vested in full immediately upon the consummation of the acquisition on September 30, 2011.

	Employee equity compensation		Non-Employee equity compensation	
Unvested Units	Units	Grant-date fair value	Units	Award-date fair value
Unvested on January 1, 2013	338,135	$ 2,521	650,464	$ 4,736
Vested	338,135	2,521	650,464	4,736
Unvested on December 31, 2013	**—**	**$ —**	**—**	**$ —**

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

14. Omnibus Incentive Compensation Plan – Continued

For the year ended December 31, 2013, 2012, and 2011 the equity compensation expense that has been charged in the consolidated statements of comprehensive income / (loss) was $1,216, $1,834 and $1,358 for the Employee awards and $2,312, $1,992 and $1,097 for the Non-Employee awards, respectively. This expense has been included in general and administrative expenses for each respective year.

The Partnership has used the straight-line method to recognize the cost of the awards.

15. Net Income / (Loss) Per Unit

The general partner's, common unit holders' and subordinated unitholders' interests in net income are calculated as if all net income for periods subsequent to April 4, 2007, were distributed according to the terms of the Partnership's Agreement, regardless of whether those earnings would or could be distributed. The Partnership Agreement does not provide for the distribution of net income; rather, it provides for the distribution of available cash (Note 13), which is a contractually-defined term that generally means all cash on hand at the end of each quarter after establishment of cash reserves established by the Partnership's board of directors to provide for the proper resources for the Partnership's business. Unlike available cash, net income is affected by non-cash items. The Partnership follows the guidance relating to the Application of the Two-Class Method and its application to Master Limited Partnerships which considers whether the incentive distributions of a master limited partnership represent a participating security when considered in the calculation of earnings per unit under the Two-Class Method.

This guidance also considers whether the partnership agreement contains any contractual limitations concerning distributions to the incentive distribution rights that would impact the amount of earnings to allocate to the incentive distribution rights for each reporting period.

Under the Partnership Agreement, the holder of the incentive distribution rights in the Partnership, which is currently the CGP, assuming that there are no cumulative arrearages on common unit distributions, has the right to receive an increasing percentage of cash distributions after the minimum quarterly distribution (Note 13).

Excluding the non-cash gain from bargain purchase for the years ended December 31, 2013 and 2011 and vessels' impairment charge for the year ended December 31, 2012, as these were not distributed to the Partnership's unit holders the Partnership's net income for the respective years did not exceed the First Target Distribution Level, and as a result, the assumed distribution of net income did not result in the use of increasing percentages to calculate CGP's interest in net income.

All common unit equivalents were antidilutive for the year ended December 31, 2012 because the limited partners were allocated a net loss in this period. The Partnership excluded the dilutive effect of 1,187,130 non-vested unit awards in calculating dilutive EPU for its common unitholders as of December 31, 2011 as they were anti-dilutive. The non-vested units are participating securities because they received distributions from the Partnership and these distributions did not have to be returned to the Partnership if the non-vested units were forfeited by the grantee.

BASIC	**2013**	**2012**	**2011**
Numerators			
Partnership's net income	**$ 99,481**	**$ (21,189)**	**$ 87,120**
Less:			
Partnership's net income available to preferred unit holders	18,805	10,809	-
General Partner's interest in Partnership's net income	1,598	(640)	1,742
Partnership's net income allocable to unvested units	678	-	1,571
Partnership's net income available to common unit holders	**$ 78,400**	**$ (31,358)**	**$ 83,807**
Denominators			
Weighted average number of common units outstanding, basic	75,645,207	68,256,072	47,138,336
Net income per common unit:			
Basic	**$ 1.04**	**$ (0.46)**	**$ 1.78**

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

15. Net Income / (Loss) Per Unit – Continued

DILUTED	**2013**	**2012**	**2011**
Numerators			
Partnership's net income available to common unit holders	**$ 99,481**	**$ (21,189)**	**$ 87,120**
Less:			
General Partner's interest in Partnership's net income	1,574	(640)	1,742
Partnership's net income available to preferred unit holders	18,805	10,809	-
Partnership's net income allocable to unvested units	678	-	1,571
Add:			
Partnership's net income available to preferred unit holders	18,805	-	-
Partnership's net income allocable to unvested units	678	-	-
	$ 97,907	**$ (31,358)**	**$ 83,807**
Denominators			
Weighted average number of common units outstanding, basic	75,645,207	68,256,072	47,138,336
Dilutive effect of preferred units	21,069,664	-	-
Dilutive effect of unvested shares	654,265	-	-
Weighted average number of common units outstanding, diluted	97,369,136	68,256,072	47,138,336
Net income per common unit:			
Diluted	**$ 1.01**	**$ (0.46)**	**$ 1.78**

16. Gain on sale of claim

On November 14, 2012, OSG and certain of its subsidiaries made a voluntary filing for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Partnership had three IMO II/III Chemical/Product tankers (M/T Alexandros II, M/T Aristotelis II and M/T Aris II) or (the "Vessels"), all built in 2008 by STX Offshore & Shipbuilding Co. Ltd. with long term bareboat charters to subsidiaries of OSG ("Original Charter Contracts" or "Rejected Charters").

After discussions with OSG, the Partnership agreed to enter into new charter contracts ("New Charter Contracts") with OSG on substantially the same terms as the Original Charter Contracts, but at a bareboat rate of $6.3 per day per vessel instead of $13.0 per day per vessel as per the Original Charter Contracts. The new charters were approved by the Bankruptcy Court on March 21, 2013 and were effective as of March 1, 2013. On the same date, the Bankruptcy Court also rejected the Original Charter Contracts as of March 1, 2013. Rejection of each charter constitutes a material breach of such charter. On May 24, 2013, the Partnership filed claims (the "Claims") against each of the charterers and their respective guarantors for damages resulting from the rejection of each of the Original Charter Contracts, including, among other things, the difference between the reduced amount of the New Charter Contracts and the amount due under each of the Rejected Charters. The total claim amount of the three claims stood at $54,096 ("Total Claim Amount").

The Partnership unconditionally and irrevocably sold, transferred and assigned to Deutsche Bank, 100% of its right, title, interest, claims and causes of action in and to arising in connection with all three of the claims that the vessel-owning subsidiaries have against OSG, via Assignment Agreements signed on June 25, 2013, thus releasing the Partnership of any payments or distributions of money or property in respect of the claim to be delivered or made to Deutsche Bank. In connection with the Assignment Agreements, on July 2, 2013, Deutsche Bank filed with the Bankruptcy Court six separate Evidences of Transfer of Claim, each pertaining to the Partnership's vessel-owning subsidiaries' claims against each charterer party to the original three charter agreements and each respective guarantor thereof.

On June 26, 2013 pursuant to the Assignment Agreements, the Partnership received from Deutsche Bank an amount of $32,000 as part payment for the assignment of the three claims. On December 18, 2013 the Partnership and Deutsche Bank entered into a Settlement Notice and Refund Modification Agreement according to which the maximum amount to be refunded to Deutsche Bank will be $644 which is presented under "Accrued liabilities" in the Partnership's consolidated Balance Sheets.

Consequently, the Partnership has recorded the amount of $31,356 which represents the difference between the proceeds of $32,000 the Partnership received by Deutsche Bank and the maximum amount to be refunded to Deutsche Bank of $644, as "Gain on sale of claim" in its consolidated statement of comprehensive income / (loss).

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

17. Commitments and Contingencies

Various claims, suits, and complaints, including those involving government regulations and product liability, arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, agents, insurance and other claims with suppliers relating to the operations of the Partnership's vessels. The Partnership is not aware of any such claims or contingent liabilities, which should be disclosed, or for which a provision should be established in the accompanying consolidated financial statements.

The Partnership accrues for the cost of environmental liabilities when management becomes aware that a liability is probable and is able to reasonably estimate the probable exposure. Currently, the Partnership is not aware of any such claims or contingent liabilities, which should be disclosed, or for which a provision should be established in the consolidated financial statements.

An estimated loss from a contingency should be accrued by a charge to expense and a liability recorded only if all of the following conditions are met:

- Information available prior to the issuance of the financial statement indicates that it is probable that a liability has been incurred at the date of the financial statements.
- The amount of the loss can be reasonably estimated.

(a) ***Lease Commitments:*** The vessel-owning subsidiaries of the Partnership have entered into time and bareboat charter agreements, which as of December 31, 2013 are summarized as follows:

Vessel Name	Time Charter ("TC")/ Bare Boat Charter ("BC") (Years)	Commencement of Charter	Charterer	Profit Sharing (1)	Gross Daily Hire Rate (Without Profit Sharing)
M/V Archimidis (4)	3+2+1+1 TC	11/2012	Maersk.		$34.0
M/V Agamemnon (4)	3+2+1+1 TC	06/2012	Maersk		$34.0
M/T Amoureux	1 TC	1/2014	CMTC (6)	50/50(6)	$24.0
M/T Aias	1 TC	12/2013	CMTC (6)	50/50(6)	$24.0
M/T Atlantas (M/T British Ensign) (8)	5+3+2+1 BC	04/2006	BP		$15.2 (5y) $13.5 (3y) $6.8 (2y)
M/T Aktoras (M/T British Envoy) (8)	5+3+1.5+1 BC	07/2006	BP		$15.2 (5y) $13.5 (3y) $7.0 (1.5y)
M/V Cape Agamemnon	10 TC	07/2010	COSCO Bulk		$42.2
M/T Agisilaos	1 TC	09/2013	CMTC	50/50(3)	$14.3
M/T Arionas	1 TC	11/2013	CMTC	50/50(3)	$14.3
M/T Aiolos (M/T British Emissary) (8)	5+3+2+1 BC	03/2007	BP		$15.2 (5y) $13.5 (3y) $7.0 (2y)
M/T Avax	1+1 TC	10/2013	BP (7)	50/50(3)	$14.8(7)
M/T Axios	1 TC	06/2013	CMTC	50/50(3)	$14.8
M/T Alkiviadis	1 TC	07/2013	CMTC	50/50(3)	$14.3
M/T Assos (M/T Insurgentes)	5 BC	04/2009	Arrendadora Ocean Mexicana, S.A. de C.V renamed to Blue Marine Cargo S.A. de C.V. ("Blue Marine"). (5)		$16.8

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

17. Commitments and Contingencies – Continued

(a) Lease Commitments – Continued

M/T Atrotos (M/T El Pipila)	5 BC	04/2009	Blue Marine (5)	sss	$16.8
M/T Akeraios	1.5 TC	07/2013	CMTC	50/50(3)	$15.0
M/T Anemos I	1.2 TC	12/2013	CMTC	50/50(3)	$14.9
M/T Apostolos	1.2 TC	10/2013	CMTC	50/50(3)	$14.9
M/T Alexandros II (8)	5 BC	01/2008	OSG (2)		$13.0
(M/T Overseas Serifos)	5 BC	05/2013			$6.3
M/T Aristotelis II (8)	5 BC	06/2008	OSG (2)		$13.0
(M/T Overseas Sifnos)	5 BC	03/2013			$6.3
M/T Aris II (8)	5 BC	08/2008	OSG (2)		$13.0
(M/T Overseas Kimolos)	5 BC	3/2013			$6.3
M/T Aristotelis	1.5 TC	12/2013	CMTC	50/50(3)	$17.0
M/T Ayrton II	1+1 TC	04/2012	BP	50/50(3)	$14.0 (1y)+$15 (1y)
M/T Amore Mio II	1 TC	12/2013	CMTC		$17.0
M/T Miltiadis M II	2 TC	09/2012	Subtec, S.A. de C.V.		$23.2
M/T Hyundai Prestige	12 TC	02/2013	HMM		$29.4
M/T Hyundai Premium	12 TC	03/2013	HMM		$29.4
M/T Hyundai Paramount	12 TC	04/2013	HMM		$29.4
M/T Hyundai Privilege	12 TC	05/2013	HMM		$29.4
M/T Hyundai Platinum	12 TC	06/2013	HMM		$29.4

(1) Profit sharing refers to an arrangement between vessel-owning companies and charterers to share a predetermined percentage voyage profit in excess of the basic rate.

(2) On November 14, 2012, OSG made a voluntary filing for relief under Chapter 11 of the U.S. Bankruptcy Code. After discussions with the Partnership and OSG agreed to enter into new charters contracts on substantially the same terms as the prior charters but at a bareboat rate of $6.3 per day. OSG has the option of extending the employment of each vessel following the completion of the bareboat charters for an additional two years on a time chartered basis at a rate of $16.5 per day. OSG has an option to purchase each of the three STX vessels at the end of the eighth, ninth or tenth year of the charter, for $38,000, $35,500 and $33,000, respectively, which option is exercisable six months before the date of completion of the eighth, ninth or tenth year of the charter. The expiration date above may therefore change depending on whether the charterer exercises its purchase option.

(3) 50/50 profit share for breaching IWL (Institute Warranty Limits – applies to voyages to certain ports at certain periods of the year).

(4) M/V Archimidis and the M/V Agamemnon are employed on time charters with Maersk at a gross day rate of US$34.0 per day with earliest redelivery in October 2015 and July 2015, respectively. Maersk has the option to extend the charter of both vessels for an additional four years at a gross day rate of $31.5 and $30.5 per day, respectively for the fourth and fifth year and $32.0 per day for the final two years. If all options were to be exercised, the employment of the vessels would extend to July 2019 for the M/V Agamemnon and October 2019 for the M/V Archimidis.

(5) Blue Marine has since delivered these vessels to the state-owned Mexican petroleum company Petroleos Mexicanos.

(6) The vessel owning companies of the M/T Amoureux and the M/T Aias have entered into a one year time charter with Capital Maritime at a gross rate of $24.0 per day for each vessel with profit share on actual earnings settled every six months. The charters were commenced in January 2014 and December 2013 respectively.

Capital Product Partners L.P.
Notes to the Consolidated Financial Statements
(In thousands of United States Dollars)

17. Commitments and Contingencies – Continued

(a) Lease Commitments – Continued

(7) The vessel's actual earnings under its charter will be $14.75 gross per day until May 2014 and $14.8 gross per day between May and October 2014, as the new daily charter rate includes compensation that CMTC will pay to the Partnership for the vessel's early redelivery in accordance with the terms of the charter party agreement with CMTC. BP has the option to extend the charter for one year at a daily rate of $15.6

(8) The M/T British Ensign will continue its bareboat charter with BP after the completion of its current charter in April 2014 for an additional 24 months at a bareboat rate of $6.8 per day. BP has the option to extend the duration of the charter for up to a further 12 months either as bareboat charter at a bareboat rate of $7.3 per day for the optional periods if declared or on time charter basis during the optional periods at a time charter rate of $14.3 per day, if declared.

The M/T British Envoy will continue its bareboat charter with BP after the completion of the current charter in July 2014 for an additional 18 months at a bareboat rate of $7.0 per day. BP has the option to extend the charter duration for up to a further 12 months either as a bareboat charter at a bareboat rate $7.3 per day for the optional periods, if declared or as a time charter at a time charter rate of $14.3 per day, if declared.

The M/T British Emissary will continue its bareboat charter with BP after the completion of its current charters in March 2015 for an additional 24 months at a bareboat rate of $7.0 per day. BP has the option to extend the duration of the charter for up to a further 12 months either as bareboat charter at a bareboat rate of $7.3 per day for the optional periods if declared or on a time charter basis during all optional periods at a time charter rate of $14.3 per day if declared.

Future minimum charter hire receipts, excluding any profit share revenue that may arise, based on non-cancelable long-term time and bareboat charter contracts, as of December 31, 2013 were:

Year ended December 31,	Amount
2014	$183,430
2015	104,139
2016	79,454
2017	76,038
2018	70,692
Thereafter	351,292
Total	**$865,045**

18. Subsequent Events

(a) ***Dividends***: On January 22, 2014, the board of directors of the Partnership declared a cash distribution of $0.2325 per common unit for the fourth quarter of 2013. The fourth quarter common unit cash distribution was paid on February 14, 2014, to unit holders of record on February 7, 2014.

(b) ***Dividends***: On January 22, 2014, the board of directors of the Partnership declared a cash distribution of $0.21375 per Class B unit for the fourth quarter of 2013. The cash distribution was paid on February 10, 2014, to Class B unit holders of record on February 3, 2014.

Exhibit 4.18

Dated 6 September 2013
amended and restated on 27 December 2013

CAPITAL PRODUCT PARTNERS L.P.
as Borrower

- and -

THE BANKS AND FINANCIAL INSTITUTIONS
listed in Schedule 1
as Lenders

- and -

ING BANK N.V., LONDON BRANCH
HSH NORDBANK AG
as Mandated Lead Arrangers

- and -

ING BANK N.V., LONDON BRANCH
as Facility Agent and Security Trustee

- and -

ING BANK N.V.
as Swap Bank

LOAN AGREEMENT

relating to a term loan facility not exceeding US$225,000,000
to initially part-finance the acquisition cost of three container
vessels and further part-finance the acquisition cost of
certain additional vessels

Watson, Farley & Williams

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THIS LOAN AGREEMENT is made on 6 September 2013 as amended and restated by the Deed of Amendment and Restatement (as defined below).

BETWEEN:

(1) **CAPITAL PRODUCT PARTNERS L.P.** being a limited partnership formed in the Republic of the Marshall Islands whose registered office is at Trust Company House, Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, The Marshall Islands as **Borrower**.

(2) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Schedule 1, as **Lenders.**

(3) **ING BANK N.V. as Swap Bank.**

(4) **ING BANK N.V., London Branch and HSH NORDBANK AG as Mandated Lead Arrangers.**

(5) **ING BANK N.V., London Branch as Facility Agent and Security Trustee.**

WHEREAS

(A) The Lenders have agreed to make available to the Borrower a term loan facility (divided into 2 tranches) of up to US$225,000,000 in aggregate for the purpose of:

(i) in the case of Tranche A (being in an amount of up to US$75,000,000 already advanced in a single Advance on 11 September 2013, being the Drawdown Date for that Tranche), to refinance part of the cost of acquiring the issued share capital of the Existing Owners being the owners of the 2013-built 5,000 TEU container vessels “CCNI ANGOL”, “HYUNDAI PRIVILEGE” and “HYUNDAI PLATINUM” or the cost of acquiring such ships; and

(ii) in the case of Tranche B (being in an amount of up to US$150,000,000 and to be made available in multiple Advances, none of which has been drawn down as at the date of the Deed of Amendment and Restatement), to part-finance or refinance the acquisition cost of certain Additional Ships or to part-finance or refinance the cost of acquiring the issued share capital of an Additional Ship Owner.

(B) The Swap Bank has agreed to enter into interest rate swap transactions with the Borrower from time to time to hedge the Borrower’s exposure under this Agreement to interest rate fluctuations.

(C) The Lenders and the Swap Bank have agreed to share in the security to be granted to the Security Trustee pursuant to this Agreement with the obligations of the Borrower to the Swap Bank being subordinated to those of the Borrower to the Lenders.

IT IS AGREED as follows:

1 INTERPRETATION

1.1 Definitions

Subject to Clause 1.5, in this Agreement:

“**Account**” means each of the Earnings Accounts and the Debt Service Reserve Account and, in the plural, means all of them;

“**Accounting Information**” means the annual audited consolidated accounts to be provided by the Borrower to the Facility Agent in accordance with Clause 11.6(a)(i) of this Agreement or the quarterly unaudited management accounts of the Borrower to be provided by the Borrower to the Facility Agent in accordance with Clause 11.6(b)(i) of this Agreement (as the context may require);

"**Accounts Pledge**" means, in respect of each Account, a pledge agreement creating security in respect of that Account, in the Agreed Form, and in the plural means all of them;

"**Additional Lender**" means each of NBG and SEB and, in the plural, means both of them;

"**Additional Lender's Certificate**" has the meaning given in Clause 2.1(b)(ii);

"**Additional Ship**" means any ship which is, or is to be, purchased by an Additional Ship Owner, each of which (unless all of the Lenders acting in their absolute discretion agree otherwise) must satisfy all the Additional Ship Requirements;

"**Additional Ship MOA**" means, in relation to an Additional Ship, a memorandum of agreement or a shipbuilding contract to be made between the Additional Ship Seller of that Additional Ship and the Additional Ship Owner which is the buyer thereof on terms and conditions acceptable to the Lenders and, in the plural, mean all of them;

"**Additional Ship Owner**" means a company which is or will be a direct or indirect wholly-owned subsidiary of the Borrower incorporated in a jurisdiction acceptable to the Lenders (in their absolute discretion however the Marshall Islands, Liberia and Panama, are considered as acceptable to the Lenders) which shall be the owner of an Additional Ship and, in the plural, means all of them;

"**Additional Ship Requirements**" means, in relation to any Ship which is, or is to be, purchased by an Additional Ship Owner; a ship which satisfies the following requirements:

(a) it is an LR1 or LR2 or modern MR product carrier or a 5,000 TEU-14,000 TEU "Eco-vessel/Eco-design" container carrier in each case having an Age of not more than 5 years and being subject on the relevant Drawdown Date to a Charterparty;

(b) it maintains the highest available class with a first class classification society which is a member of IACS except (i) China Classification Society, P.R. of China and (ii) Russian Maritime Register of Shipping, Russia, free of any overdue recommendations and conditions of such classification society; and

(c) it is to be registered on an Approved Flag;

"**Additional Ship Seller**" means, in relation to an Additional Ship, the seller of such Additional Ship and, in the plural, means all of them;

"**Advance**" means the principal amount of each borrowing by the Borrower under this Agreement;

"**Affected Lender**" has the meaning given in Clause 5.5;

"**Age**" means, in relation to a Ship, the number of integral years from the year in which the construction of that Ship was completed and ending on the Drawdown Date which relates to the Advance in respect of that Ship;

"**Agency and Trust Agreement**" means the agency and trust agreement executed or to be executed between the Borrower, the Lenders, the Swap Bank and the Security Trustee in the Agreed Form;

"**Agreed Form**" means, in relation to any document, that document in the form approved in writing by the Facility Agent (acting on the instructions of the Majority Lenders) or as otherwise approved in accordance with any other approval procedure specified in any relevant provision of any Finance Document;

"**Anax**" means Anax Container Carrier S.A., a corporation incorporated and existing under the laws of the Republic of Liberia and having its registered office at 80 Broad Street, Monrovia, Liberia;

"**Approved Broker**" means:

(a) in the case of container Fleet Vessels, each of Arrow Valuations (London), H. Clarksons & Co. Ltd., Barry Rogliano Sales, Maersk Brokers K/S, Howe Robinson & Co. Ltd Shipbrokers and SSY Valuation Services Ltd.; and

(b) in the case of tanker Fleet Vessels, each of Arrow Valuations (London), Barry Rogliano Sales, Fearnleys A/S, H. Clarksons & Co. Ltd., Pareto Shipbrokers A/S, RS Platou A.S. and SSY Valuation Services Ltd.

and in the plural means all of them;

"**Approved Charterer**" means a charterer acceptable in all respects to the Lenders (including, without limitation, Capital Maritime & Trading Corp. ("**CMTC**") or any wholly owned subsidiary of CMTC (subject to a full performance guarantee of CMTC)) such acceptance not to be unreasonably withheld, delayed or conditioned;

"**Approved Flag**" means the Liberian or Marshall Islands or Panama or Greek or Malta flag or such flag as the Facility Agent may, with the authorisation of all the Lenders, approve as the flag on which a Ship shall be registered, such approval not to be unreasonably withheld;

"**Approved Flag State**" means any country in which the Facility Agent may with the authorisation of all the Lenders, approve that a Ship be registered, such approval not to be unreasonably withheld;

"**Approved Manager**" means, in relation to a Ship, Capital Ship Management Corp., a company incorporated in Panama having its registered office at Hong Kong Bank Building, 6th floor, Samuel Lewis Avenue, Panama, Republic of Panama, or any other company which the Lenders may approve (such approval not to be unreasonably withheld) from time to time as the commercial, technical and/or operational manager of that Ship;

"**Approved Manager's Undertaking**" means, in relation to each Ship, a letter of undertaking executed or to be executed by the Approved Manager in favour of the Security Trustee in the terms required by the Security Trustee agreeing certain matters in relation to the Approved Manager serving as the manager of the Ship and subordinating the rights of the Approved Manager against such Ship and the Owner thereof to the rights of the Creditor Parties under the Finance Documents, in the Agreed Form and in the plural means all of them;

"**Availability Period**" means the period commencing on the date of this Agreement and ending on:

(a) in the case of Tranche A, 31 December 2013 (with such Tranche having been drawn down in full, in a single Advance, on 11 September 2013 being the Drawdown Date for that Tranche) and in the case of Tranche B, 31 March 2016; or

(b) if earlier, the date on which the Total Commitments are cancelled or terminated;

"**Balloon Instalment**" has the meaning given to that term in Clause 8.1(b)(ii);

"**Bareboat Charter Security Agreement**" means, in relation to any Ship which is subject to a bareboat charter (which charter may be entered into by the relevant Owner in accordance with Clause 14.17), an agreement or agreements whereby the Security Trustee receives an assignment of the rights of the relevant Owner under the bareboat charter and certain undertakings from that Owner and the relevant Approved Charterer and, if so agreed by the Security Trustee (acting with the authorisation of the Majority Lenders including for the avoidance of doubt in the case where a quiet enjoyment undertaking is requested from the Lenders by the Approved Charterer), agrees to give certain undertakings to that Approved Charterer, in each case, in the Agreed Form and, in the plural, means all of them;

"**Borrower**" means Capital Product Partners L.P., a limited partnership formed under the laws of the Republic of the Marshall Islands and having its registered office at Trust Company House, Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, the Marshall Islands;

"**Break Costs**" has the meaning given in Clause 21.2;

"**Business Day**" means a day on which banks are open in London, Hamburg, Athens and Piraeus and in respect of a day on which a payment is required to be made under a Finance Document, also in New York City;

"**CCNI ANGOL**" means the 2013-built container vessel of 5,000 TEU registered in the ownership of Anax under the Liberian flag with the name CCNI ANGOL";

"**Charterparty**" means any bareboat charterparty or any time charterparty (including, without limitation, any Existing Charter) in respect of a Ship of a duration of 12 months or more (excluding options to extend contained therein), made with an Approved Charterer on terms acceptable in all respects to the Lenders, such acceptance not to be unreasonably withheld;

"**Charterparty Assignment**" means, in relation to:

(a) a Ship (at all times during the term of the Existing Charter relative thereto), an assignment of the rights of the Owner of that Ship under the Existing Charter relative to that Ship executed or to be executed by the relevant Owner in favour of the Security Trustee; and

(b) each Ship (in the case of the Existing Ships, after the expiry of the Existing Charter relative thereto), an assignment of the rights of the relevant Owner under any Charterparty in respect of such Ship with a duration of at least 11 consecutive months executed or to be executed by the relevant Owner in favour of the Security Trustee,

in each case, in the Agreed Form and, in the plural, means all of them;

"**Code**" means the US Internal Revenue Code of 1986;

"**Commitment**" means, in relation to a Lender, the amount set opposite its name in Schedule 1, or, as the case may require, the amount specified in the relevant Transfer Certificate and/or the relevant Additional Lender's Certificate, as that amount may be reduced, cancelled or terminated in accordance with this Agreement (and "**Total Commitments**" means the aggregate of the Commitments of all the Lenders);

"**Compliance Certificate**" means a certificate in the form set out in Schedule 6 (or in any other form which the Facility Agent, acting with the authorisation of all the Lenders, approves or requires);

"**Confirmation**" and "**Early Termination Date**", in relation to any continuing Designated Transaction, have the meanings given in the Master Agreement;

"**Contractual Currency**" has the meaning given in Clause 21.5;

"**Contribution**" means, in relation to a Lender, the part of the Loan which is owing to that Lender;

"**Creditor Party**" means the Facility Agent, the Security Trustee, either Mandated Lead Arranger, the Swap Bank or any Lender, whether as at the date of this Agreement or at any later time;

"**Cronus**" means Cronus Container Carrier S.A., a corporation incorporated and existing under the laws of the Republic of Liberia and having its registered office at 80 Broad Street, Monrovia, Liberia;

"**Debt Service Reserve Account**" means an account in the name of the Borrower with the Facility Agent in London designated "Capital Product Partners L.P. – Debt Service Reserve Account" which is designated by the Facility Agent in writing as the Debt Service Reserve Account for the purposes of this Agreement;

"**Deed of Amendment and Restatement**" means the deed of amendment and restatement dated 27 December 2013 and made between (i) the Borrower, (ii) the Existing Owners, (iii) the Lenders, (iv) the Agent, (v) the Mandated Lead Arrangers, (vi) the Swap Bank and (vii) the Security Trustee setting out the terms and conditions upon which this Agreement is amended and restated;

"**Deed of Covenant**" means, in relation to a Ship registered or to be registered under Bahamas or Malta flag, a deed of covenant collateral to the Mortgage of that Ship creating charges over the Ship, executed or to be executed by the Owner of that Ship in favour of the Security Trustee, in the Agreed Form, and in the plural means all of them;

"**Designated Transaction**" means a Transaction which fulfils the following requirements:

(a) it is entered into by the Borrower pursuant to the Master Agreement with the Swap Bank which, at the time the Transaction is entered into, is also a Lender (or an affiliate of a Lender;

(b) its purpose is the hedging of the Borrower's exposure under this Agreement to fluctuations in LIBOR arising from the funding of the Loan (or any part thereof) for a period expiring no later than the final Repayment Date; and

(c) it is designated by the Borrower, by delivery by the Swap Bank to the Facility Agent and the Borrower of a notice of designation in the form set out in Schedule 5, as a Designated Transaction for the purposes of the Finance Documents;

"**Dollars**" and "**$**" means the lawful currency for the time being of the United States of America;

"**Drawdown Date**" means, in relation to an Advance, the date requested by the Borrower for the Advance to be made, or (as the context requires) the date on which the Advance is actually made;

"**Drawdown Notice**" means a notice in the form set out in Schedule 2 (or in any other form which the Facility Agent, acting with the authorisation of all the Lenders, approves or reasonably requires);

"**Earnings**" means, in relation to a Ship, all moneys whatsoever which are now, or later become, payable (actually or contingently) to the Owner owning the Ship or the Security Trustee and which arise out of the use or operation of the Ship, including (but not limited to):

(a) all freight, hire and passage moneys, compensation payable to the Owner owning the Ship or the Security Trustee in the event of requisition of the Ship for hire, remuneration for salvage and towage services, demurrage and detention moneys and damages for breach (or payments for variation or termination) of any charterparty or other contract for the employment of the Ship;

(b) all moneys which are at any time payable under any Insurances in respect of loss of hire; and

(c) if and whenever the Ship is employed on terms whereby any moneys falling within paragraphs (a) or (b) above are pooled or shared with any other person, that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Ship;

"**Earnings Account**" means, with respect to an Owner, an account in the name of that Owner with the Facility Agent in London which is designated by the Facility Agent in writing as the Earnings Account with respect to that Owner for the purposes of this Agreement and in the plural means all of them;

"**EBITDA**" means, in respect of the relevant period, the aggregate amount of consolidated or combined pre-tax profits of the Group before extraordinary or exceptional items, depreciation, interest, repayment of principal in respect of any loan, rentals under finance leases and similar charges payable;

"**Environmental Claim**" means:

(a) any claim by any governmental, judicial or regulatory authority which arises out of an Environmental Incident or an alleged Environmental Incident or which relates to any Environmental Law; or

(b) any claim by any other person which relates to an Environmental Incident or to an alleged Environmental incident,

and "**claim**" means a claim for damages, compensation, fines, penalties or any other payment of any kind whether or not similar to the foregoing; an order or direction to take, or not to take, certain action or to desist from or suspend certain action; and any form of enforcement or regulatory action, including the arrest or attachment of any asset;

"**Environmental Incident**" means:

(a) any release of Environmentally Sensitive Material from a Ship; or

(b) any incident in which Environmentally Sensitive Material is released from a vessel other than a Ship and which involves a collision between a Ship and such other vessel or some other incident of navigation or operation, in either case, in connection with which a Ship is actually or potentially liable to be arrested, attached, detained or injuncted and/or a Ship or an Owner and/or any operator or manager is at fault or allegedly at fault or otherwise liable to any legal or administrative action; or

(c) any other incident in which Environmentally Sensitive Material is released otherwise than from a Ship and in connection with which a Ship is actually or potentially liable to be arrested and/or where an Owner and/or any operator or manager of a Ship is at fault or allegedly at fault or otherwise liable to any legal or administrative action;

"**Environmental Law**" means any law relating to pollution or protection of the environment, to the carriage of Environmentally Sensitive Material or to actual or threatened releases of Environmentally Sensitive Material;

"**Environmentally Sensitive Material**" means oil, oil products and any other substance (including any chemical, gas or other hazardous or noxious substance) which is (or is capable of being or becoming) polluting, toxic or hazardous;

"**Event of Default**" means any of the events or circumstances described in Clause 19.1;

"**Existing Charter**" means, in relation to each Existing Ship, a time charter in respect of that Existing Ship dated 18 July 2011 and made between the Owner of that Existing Ship and HMM and, in the plural, means all of them;

"**Existing Lenders**" means the banks and financial institutions acting as Lenders prior to the Increased Commitment Date;

"**Existing Owner**" means, together Anax, Cronus and Thiseas and, in the singular, means any of them;

"**Existing Ships**" means, together, "HYUNDAI PLATINUM", "CCNI ANGOL" and "HYUNDAI PRIVILEGE" and in the singular means any of them;

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code and any Treasury regulations thereunder:

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of paragraph(a) above; or

(c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction;

"**FATCA Deduction**" means a deduction or withholding from a payment under any Finance Document required by or under FATCA;

"**FATCA Exempt Party**" means a party to a Finance Document that is entitled under FATCA to receive payments free from any FATCA Deduction;

"**FATCA FFI**" means a foreign financial institution as defined in section 1471(d)(4) of the Code which could be required to make a FATCA Deduction;

"**FATCA Non-Exempt Lender**" means any Lender who is not a FATCA Exempt Party;

"**Fee Letter**" means a letter issued or to be issued by the Borrower to the Facility Agent in which the Borrower agrees to pay certain fees to the Facility Agent in connection with this Agreement;

"**Finance Documents**" means:

(a) this Agreement;

(b) the Master Agreement;

(c) the Agency and Trust Agreement;

(d) the Guarantees;

(e) the Guarantee Confirmations;

(f) the Deed of Amendment and Restatement;

(g) the Master Agreement Assignment;

(h) the General Assignments;

(i) the Mortgages and the Mortgage Addenda;

(j) the Deeds of Covenant;

(k) the Accounts Pledges;

(l) the Swap Account Pledge;

(m) the Negative Pledges;

(n) the Fee Letter;

(o) any Charterparty Assignments;

(p) any Bareboat Charter Security Agreements;

(q) the Approved Manager's Undertakings; and

(r) any other document (whether creating a Security Interest or not) which is executed at any time by the Borrower, an Owner or any other person as security for, or to establish any form of subordination or priorities arrangement in relation to, any amount payable to the Lenders under this Agreement or any of the documents referred to in this definition and, in the singular, means any of them;

"**Final Maturity Date**" means 31 December 2020;

"**Financial Indebtedness**" means, in relation to a person (the "**debtor**"), any liability of the debtor:

(a) for principal, interest or any other sum payable in respect of any moneys borrowed or raised by the debtor;

(b) under any loan stock, bond, note or other security issued by the debtor;

(c) under any acceptance credit, guarantee or letter of credit facility made available to the debtor;

(d) under a financial lease, a deferred purchase consideration arrangement or any other agreement having the commercial effect of a borrowing or raising of money by the debtor;

(e) under any interest or currency swap or any other kind of derivative transaction entered into by the debtor or, if the agreement under which any such transaction is entered into requires netting of mutual liabilities, the liability of the debtor for the net amount;

(f) under a guarantee, indemnity or similar obligation entered into by the debtor in respect of a liability of another person which would fall within (a) to (e) if the references to the debtor referred to the other person;

"**Fleet Vessels**" means all of the vessels (including, but not limited to, the Ships) from time to time wholly owned by members of the Group (each a "**Fleet Vessel**");

"**General Assignment**" means, in relation to a Ship, a general assignment of the Earnings, the Insurances and any Requisition Compensation, in the Agreed Form and in the plural means all of them;

"**Group**" means the Borrower and its subsidiaries (whether direct or indirect and including, but not limited to, each Owner) from time to time during the Security Period and "**member of the Group**" shall be construed accordingly;

"**Guarantee**" means, in relation to an Owner, the guarantee to be given by that Owner in favour of the Security Trustee (in the case of the guarantees executed by Existing Owners, each as supplemented by the Guarantee Confirmation to which that Existing Owner is a party), guaranteeing the obligations of the Borrower under this Agreement and the other Finance Documents, in the Agreed Form and in the plural means all of them;

"**Guarantee Confirmation**" means, in relation to each Existing Owner, a written confirmation by that Existing Owner in the Agreed Form in respect of the guarantee of the Borrowers' rights, obligations and liabilities under this Agreement, the Master Agreement and the other Finance Documents, each as amended, supplemented or, as the case may be, restated by the Deed of Amendment and Restatement) and, in the plural, means all of them;

"**HMM**" means Hyundai Merchant Marine Co. Ltd., a company incorporated in Korea whose registered office is at 1-7 Yeonji-Dong, Jongno-Gu, Seoul, Korea;

"**HYUNDAI PLATINUM**" means the 2013-built container vessel of 5,000 TEU registered in the ownership of Cronus under the Liberian flag with the name HYUNDAI PLATINUM";

"**HYUNDAI PRIVILEGE**" means the 2013-built container vessel of 5,000 TEU registered in the ownership of Thiseas under the Liberian flag with the name HYUNDAI PRIVILEGE";

"**Increased Commitment**" has the meaning given in Clause 2.1(b);

"**Increased Commitment Date**" means the date on which each Additional Lender becomes a Lender in accordance with Clause 2.1(b) and each Additional Lender's Certificate (being the effective date specified in such certificate);

"**Insurances**" means, in relation to a Ship:

(a) all policies and contracts of insurance or reinsurance, including entries of such Ship in any protection and indemnity or war risks association, which are effected in respect of such Ship, her Earnings or otherwise in relation to her; and

(b) all rights and other assets relating to, or derived from, any of the foregoing, including any rights to a return of a premium or under any cut-through clause;

"**Instalments**" has the meaning given in Clause 8.1(b)(i);

"**Interest Period**" means a period determined in accordance with Clause 6;

"**ISM Code**" means the International Safety Management Code (including the guidelines on its implementation), adopted by the International Maritime Organisation as the same may be amended or supplemented from time to time (and the terms "**safety management system**", "**Safety Management Certificate**" and "**Document of Compliance**" have the same meanings as are given to them in the ISM Code);

"**ISPS Code**" means the International Ship and Port Facility Security Code as adopted by the International Maritime Organisation, as the same may be amended or supplemented from time to time;

"**ISSC**" means a valid and current International Ship Security Certificate issued under the ISPS Code;

"**Lender**" means, subject to Clause 26.6, a bank or financial institution listed in Schedule 1 and acting through its branch indicated in Schedule 1 (or through another branch notified to the Borrower under Clause 26.14) or its transferee, successor or assign and, subject to Clause 2.1(b), includes an Additional Lender or its transferee, successor or assign;

"**LIBOR**" means, for an Interest Period:

(a) the rate per annum equal to the offered quotation for deposits in Dollars for a period equal to the relevant Interest Period which appears on REUTERS BBA Page LIBOR 01 at or about 11.00 a.m. (London time) on the Quotation Date for that Interest Period (and, for the purposes of this Agreement, "REUTERS BBA Page LIBOR 01" means the display designated as the "REUTERS BBA Page LIBOR 01" on the Reuters Money News Service or such other page as may replace REUTERS BBA Page LIBOR 01 on that service for the purpose of displaying rates comparable to that rate or on such other service as may be nominated by the British Bankers' Association (or any other person which takes over the administration of that rate) as the information vendor for the purpose of displaying British Bankers' Association Interest Settlement Rates for Dollars (or the settlement rates of the person which takes over the administration of LIBOR)); or

(b) if no rate is quoted on REUTERS BBA Page LIBOR 01, the rate per annum determined by the Facility Agent to be the arithmetic mean (rounded upwards, if necessary, to the nearest one-sixteenth of one per cent.) of the rates per annum notified to the Facility Agent by each Reference Bank as the rate at which deposits in Dollars are offered to that Reference Bank by leading banks in the London Interbank Market at that Reference Bank's request at or about 11.00 a.m. (London time) on the Quotation Date for that Interest Period for a period equal to that Interest Period and for delivery on the first Business Day of it; or

(c) if any of the above rates is below zero, LIBOR will be deemed to be zero;

"**Liquid Assets**" means, at any relevant time hereunder, the aggregate of:

(a) cash in hand or held with banks or other financial institutions of the Borrower and/or any other member of the Group in Dollars or another currency freely convertible into Dollars,;

(b) the market value of transferable certificates of deposit in a freely convertible currency acceptable to the Lenders (being for the purposes of this Agreement, Dollars, Japanese Yen, Swiss Francs, Euros or Sterling) issued by a prime international bank; and

(c) the market value of equity securities (if and to the extent that the Facility Agent is satisfied that such equity securities are readily saleable for cash and that there is a ready market therefor) and investment grade debt securities which are publicly traded on a major stock exchange or investment market (valued at market value as at any applicable date of determination),

in each case owned by the Borrower or any other member of the Group where:

(i) the market value of any asset specified in paragraph (b) and (c) shall be the bid price quoted for it on the relevant calculation date by the Facility Agent: and

(ii) the amount or value of any asset denominated in a currency other than Dollars shall be converted into Dollars using the Facility Agent's spot rate for the purchase of Dollars with that currency on the relevant calculation date.

"**LSW 1189**" means the London Standard Wording for marine insurances which incorporates the German direct mortgage clause;

"**Loan**" means the principal amount for the time being outstanding under this Agreement;

"**Major Casualty**" means, in relation to a Ship, any casualty to the Ship in respect of which the claim or the aggregate of the claims against all insurers, before adjustment for any relevant franchise or deductible, exceeds $750,000 or the equivalent in any other currency;

"**Majority Lenders**" means:

(a) at any time when no Advances are outstanding, Lenders whose Commitments exceed in total 66 2/3 per cent. of the Total Commitments; and

(b) at any other time, Lenders whose Contributions exceed in total 66 2/3 per cent. of the Loan;

"**Management Agreement**" means, in relation to each Ship, an agreement made or to be made between (i) the Owner of that Ship and (ii) the Approved Manager in respect of the commercial and technical management of the Ship to be in form and substance in all respects reasonably acceptable to the Lenders and, in the plural, means both of them;

"**Management Agreement Assignment**" means, in relation to each Management Agreement, the first priority assignment of the rights and interests of the relevant Owner under that Management Agreement in the Agreed Form and, in the plural, means all of them;

"**Mandated Lead Arranger**" means each of:

(a) ING Bank N.V., London Branch acting in such capacity through its office at 60 London Wall, London EC2M 5TQ, England; and

(b) HSH Nordbank AG, acting in such capacity through its office at Gerhart-Hauptmann-Platz 50, 20095 Hamburg, Germany,

or, in each case, any successor and, in the plural, means both of them;

"**Mandatory Cost**" means, in relation to the Loan, the cost calculated as a percentage rate per annum incurred by a Lender as a result of compliance with (a) the requirements of the Bank of England and/or the Financial Conduct Authority and/or the Prudential Regulation Authority (or, in any case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank, as may be determined by a Lender to the Facility Agent from time to time and notified to the Borrower;

"**Margin**" means 3.50 per cent. per annum;

"**Market Value**" means, in respect of each Ship and each Fleet Vessel, the market value thereof determined from time to time in accordance with Clause 15.4;

"**Master Agreement**" means a master agreement (on the 1992 or, as the case may be, 2002 ISDA (Multicurrency - Crossborder) form) made between the Borrower and the Swap Bank and includes all Designated Transactions from time to time entered into and Confirmations from time to time exchanged under the master agreement;

"**Material Adverse Change**" means any event or series of events which, in the reasonable opinion of the Majority Lenders, is likely to have a Material Adverse Effect;

"**Material Adverse Effect**" means a material adverse effect on:

(a) the business, property, assets, liabilities, operations or condition (financial or otherwise) of the Borrower and/or any Security Party taken as a whole;

(b) the ability of the Borrower and/or any Security Party to (i) perform any of its obligations or (ii) discharge any of its liabilities, under any Finance Document as they fall due; or

(c) the validity or enforceability of any Finance Document;

"**Mortgage**" means, in relation to a Ship, the first preferred or, as the case may be, priority ship mortgage on that Ship (in the case of each mortgage on an Existing Ship, as that mortgage is amended and supplemented by the relevant Mortgage Addendum) under the relevant Approved Flag executed by the Owner of that Ship in favour of the Security Trustee, in the Agreed Form;

"**Mortgage Addendum**" means, in the case of each Mortgage in respect of an Existing Ship, the first addendum to that Mortgage and, in the plural, means all of them;

"**NBG**" means the National Bank of Greece S.A., a company organised and existing in the Hellenic Republic acting through its branch at 2 Bouboulinas Street & Akti Miaouli, 185 36 Piraeus, Greece;

"**Negative Pledge**" means, in relation to each Owner, a negative pledge in respect of the share capital of that Owner, in the Agreed Form, and in the plural means, all of them;

"**Negotiation Period**" has the meaning given in Clause 5.10;

"**Net Interest Expenses**" means, in respect of the relevant period:

(a) the aggregate of all interest payable by any member of the Group on any Financial Indebtedness (excluding any amounts owing by one member of the Group to another member of the Group) and any net amounts payable under interest rate hedge agreements, less

(b) the aggregate of all interest received by any member of the Group arising from any Liquid Assets and any net amounts received by any member of the Group under interest rate hedge agreements;

"**Notifying Lender**" has the meaning given in Clause 23.1 or Clause 24.1 as the context requires;

"**Owner**" means:

(a) in relation to each Existing Ship, the Existing Owner thereof; and

(b) in relation to each Additional Ship, the Additional Ship Owner thereof,

and, in the plural, means all of them;

"**Payment Currency**" has the meaning given in Clause 21.6

"**Permitted Security Interests**" means:

(a) Security Interests created by the Finance Documents;

(b) liens for unpaid crew's wages in accordance with usual maritime practice;

(c) liens for salvage;

(d) liens arising by operation of law for not more than 2 months' prepaid hire under any charter in relation to a Ship not prohibited by this Agreement;

(e) liens for master's disbursements incurred in the ordinary course of trading and any other lien arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of a Ship, provided such liens do not secure amounts more than 45 days overdue (unless the overdue amount is being contested by the relevant Owner in good faith by appropriate steps) and subject, in the case of liens for repair or maintenance, to Clause 14.13(e);

(f) any Security Interest created in favour of a plaintiff or defendant in any action of the court or tribunal before whom such action is brought as security for costs and expenses where the Borrower is prosecuting or defending such action in good faith by appropriate steps; and

(g) Security Interests arising by operation of law in respect of taxes which are not overdue for payment other than taxes being contested in good faith by appropriate steps and in respect of which appropriate reserves have been made;

"**Pertinent Document**" means:

(a) any Finance Document;

(b) any policy or contract of insurance contemplated by or referred to in Clause 13 or any other provision of this Agreement or another Finance Document;

(c) any other document contemplated by or referred to in any Finance Document; and

(d) any document which has been or is at any time sent by or to a Servicing Bank in contemplation of or in connection with any Finance Document or any policy, contract or document falling within paragraphs (b) or (c);

"**Pertinent Jurisdiction**", in relation to a company, means:

(a) England and Wales;

(b) the country under the laws of which the company is incorporated or formed;

(c) a country in which the company has the centre of its main interests or which the company's central management and control is or has recently been exercised;

(d) a country in which the overall net income of the company is subject to corporation tax, income tax or any similar tax;

(e) a country in which assets of the company (other than securities issued by, or loans to, related companies) having a substantial value are situated, in which the company maintains a branch or permanent place of business, or in which a Security Interest created by the company must or should be registered in order to ensure its validity or priority; and

(f) a country the courts of which have jurisdiction to make a winding up, administration or similar order in relation to the company, whether as a main or territorial or ancillary proceedings, or which would have such jurisdiction if their assistance were requested by the courts of a country referred to in paragraphs (b) or (c) above;

"**Pertinent Matter**" means:

(a) any transaction or matter contemplated by, arising out of, or in connection with a Pertinent Document; or

(b) any statement relating to a Pertinent Document or to a transaction or matter falling within paragraph (a),

and covers any such transaction, matter or statement, whether entered into, arising or made at any time before the signing of this Agreement or on or at any time after that signing;

"**Potential Event of Default**" means an event or circumstance which, with the giving of any notice, the lapse of time, a determination of the Majority Lenders and/or the satisfaction of any other condition, would constitute an Event of Default;

"**Quotation Date**" means, in relation to any Interest Period (or any other period for which an interest rate is to be determined under any provision of a Finance Document), the day on which quotations would ordinarily be given by leading banks in the London Interbank Market for deposits in the currency in relation to which such rate is to be determined for delivery on the first day of that Interest Period or other period;

"**Reference Banks**" means, subject to Clause 26.17, ING Bank N.V., London Branch, HSH Nordbank AG (acting through its office in Hamburg) and/or the London branch of any other bank or financial institution selected by the Facility Agent;

"**Relevant Person**" has the meaning given in Clause 19.9;

"**Repayment Date**" means a date on which a repayment is required to be made under Clause 8;

"**Repayment Instalment**" has the meaning given to that item in Clause 8.2(b)(i);

"**Requisition Compensation**" includes all compensation or other moneys payable by reason of any act or event such as is referred to in paragraph (b) of the definition of "Total Loss";

"**SEB**" means Skandinaviska Enskilda Banken AB (publ), a company incorporated and existing in Sweden acting through its office at Kungstrüdgärdsgatan 8, SE-106 40, Stockholm, Sweden;

"**Secured Liabilities**" means all liabilities which the Borrower, the Security Parties or any of them have, at the date of this Agreement or at any later time or times, under or by virtue of the Finance Documents or any judgment relating to the Finance Documents; and for this purpose, there shall be disregarded any total or partial discharge of these liabilities, or variation of their terms, which is effected by, or in connection with, any bankruptcy, liquidation, arrangement or other procedure under the insolvency laws of any country;

"**Security Cover Ratio**" means the ratio which is determined at any time by comparing the aggregate Market Value of the Ships subject to a Mortgage at the relevant time against the Loan;

"**Security Interest**" means:

(a) a mortgage, charge (whether fixed or floating) or pledge, any maritime or other lien or any other security interest of any kind;

(b) the rights of the plaintiff under an action *in rem* in which the vessel concerned has been arrested or a writ has been issued or similar step taken; and

(c) any arrangement entered into by a person (A) the effect of which is to place another person (B) in a position which is similar, in economic terms, to the position in which B would have been had he held a security interest over an asset of A; but (c) does not apply to a right of set off or combination of accounts conferred by the standard terms of business of a bank or financial institution;

"**Security Party**" means each of the Owners and any other person (except a Creditor Party and any Approved Charterer of any Ship or the Approved Manager (in case it is not Capital Ship Management Corp. (or an affiliate of Capital Ship Management Corp.))) who, as a surety or mortgagor, as a party to any subordination or priorities arrangement, or in any similar capacity, executes a document falling within the final paragraph of the definition of "Finance Documents";

"**Security Period**" means the period commencing on the date of this Agreement and ending on the date on which the Facility Agent notifies the Borrower, the Security Parties and the Lenders that:

(a) all amounts which have become due for payment by the Borrower or any Security Party under the Finance Documents have been paid;

(b) no amount is owing or has accrued (without yet having become due for payment) under any Finance Document;

(c) neither the Borrower nor any Security Party has any future or contingent liability under Clause 20, 21 or 22 below or any other provision of this Agreement or another Finance Document; and

(d) the Facility Agent, the Security Trustee and the Majority Lenders do not consider that there is a significant risk that any payment or transaction under a Finance Document would be set aside, or would have to be reversed or adjusted, in any present or possible future bankruptcy of the Borrower or a Security Party or in any present or possible future proceeding relating to a Finance Document or any asset covered (or previously covered) by a Security Interest created by a Finance Document;

"**Security Trustee**" means ING Bank N.V, London Branch, acting in such capacity through its office at 60 London Wall, London EC2M 5TQ, England, or any successor of it appointed under clause 5 of the Agency and Trust Agreement;

"**Servicing Bank**" means the Facility Agent or the Security Trustee;

"**Ships**" means, together, the Existing Ships and the Additional Ships, and in the singular means any of them;

"**Swap Account**" means an account in the name of the Borrower with the Facility Agent designated "Capital Product Partners L.P. - Swap Account", which is designated by the Facility Agent as the Swap Account for the purposes of this Agreement;

"**Swap Account Pledge**" means a pledge agreement creating security in favour of the Security Trustee in respect of the Swap Account in the Agreed Form;

"**Swap Bank**" means ING Bank N.V. acting through its office at Treasury Building, Foppingadreef 7,1102 BD Amsterdam, The Netherlands;

"**Swap Exposure**" means, as at any relevant date, the amount certified by the Swap Bank to the Facility Agent to be the aggregate net amount in Dollars which would be payable by the Borrower to the Swap Bank under (and calculated in accordance with) section 6(e) (Payments on Early Termination) of the Master Agreement if an Early Termination Date had occurred on the relevant date in relation to all continuing Designated Transactions in respect of the Master Agreement entered into between the Borrower and the Swap Bank;

"**Thiseas**" means Thiseas Container Carrier S.A., a corporation incorporated and existing under the laws of the Republic of Liberia and having its registered office at 80 Broad Street, Monrovia, Liberia;

"**Total Indebtedness**" means the aggregate Financial Indebtedness of the Group as stated in the most recent Accounting Information;

"**Total Loss**" means, in relation to a Ship:

(a) actual, constructive, compromised, agreed or arranged total loss of the Ship;

(b) any expropriation, confiscation, requisition or acquisition of the Ship, whether for full consideration, a consideration less than her proper value, a nominal consideration or without any consideration, which is effected by any government or official authority or by any person or persons claiming to be or to represent a government or official authority, unless it is within 1 month from the date of such occurrence redelivered to the full control of the Borrower owning that Ship, excluding a requisition for hire for a fixed period not exceeding 360 days without any right to an extension;

(c) any condemnation of the Ship by any tribunal or by any person or persons claiming to be a tribunal; and

(d) any arrest, capture, seizure, confiscation or detention of the Ship (including any hijacking (piracy) or theft) unless she is within 90 days redelivered to the full control of the Owner owning the Ship;

"**Total Loss Date**" means, in relation to a Ship:

(a) in the case of an actual loss of the Ship, the date on which it occurred or, if that is unknown, the date when the Ship was last heard of;

(b) in the case of a constructive, compromised, agreed or arranged total loss of the Ship, the earliest of:

  (i) 30 days after the date on which a notice of abandonment is given to the insurers; and

  (ii) the date of any compromise, arrangement or agreement made by or on behalf of the Owner owning the Ship, with the Ship's insurers in which the insurers agree to treat the Ship as a total loss; and

(c) in the case of any other type of total loss, on the date (or the most likely date) on which it appears to the Facility Agent that the event constituting the total loss occurred;

"**Tranche A**" means the amount of $75,000,000 made available by the Lenders to the Borrower on the Drawdown Date in respect of that Tranche pursuant to the terms of this Agreement and on-lent on that date by the Borrower to the Existing Owners to assist each Existing Owner in part-financing the acquisition cost by the Borrower of all shares in that Existing Owner (with such acquisition cost being on that Drawdown Date not more than 50 per cent. of the then current Market Value of that Existing Ship in accordance with the terms of this Agreement);

"**Tranche B**" means, subject to Clause 2.1(b) an amount of up to $150,000,000 to be made available by the Lenders to the Borrower in multiple Advances (which shall not exceed the number of Additional Ships at any relevant time subject to a Mortgage) pursuant to the terms of this Agreement and, each such Advance shall be on-lent by the Borrower to each Additional Ship Owner to assist such Owner in financing up to 50 per cent. of the Market Value of the Additional Ship to be owned by that Additional Ship Owner or in part-financing the acquisition cost of all the shares in that Additional Ship Owner subject to such acquisition cost being not more than 50 per cent. of the then current Market Value of that Additional Ship;

"**Tranches**" mean together, Tranche A and Tranche B, and in the singular means either of them;

"**Transaction**" has the meaning given in the Master Agreement;

"**Transfer Certificate**" has the meaning given in Clause 26.2;

"**Trust Property**" has the meaning given in clause 3.1 of the Agency and Trust Agreement;

"**Twelve Months' Debt Service**" means, in respect of each financial year of the Borrower and a Ship, the aggregate amount in respect of the principal and interest payments under the Loan Agreement during that financial year which is attributable to that Ship (by reference to the amount of the Advance in respect of that Ship and the applicable "D" and, as the case may be, "F" (each as defined in Clause 8.1));

"**US GAAP**" means generally accepted accounting principles as from time to time in effect in the United States of America; and

"**US Tax Obligor**" means:

(a) the Borrower or any Security Party, in each case, which is a "United States person" within the meaning of section 7701(a)(30) of the Code; or

(b) the Borrower or any Security Party, in each case, some or all of whose payments under the Finance Documents are from sources within the United States for United States federal income tax purposes.

1.2 Construction of certain terms

In this Agreement:

"**approved**" means, for the purposes of Clause 13, approved in writing by the Facility Agent;

"**asset**" includes every kind of property, asset, interest or right, including any present, future or contingent right to any revenues or other payment;

"**company**" includes any partnership, joint venture and unincorporated association;

"**consent**" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration, notarisation and legalisation;

"**contingent liability**" means a liability which is not certain to arise and/or the amount of which remains unascertained;

"**document**" includes a deed; also a letter or fax;

"**excess risks**" means, in relation to a Ship, the proportion of claims for general average, salvage and salvage charges not recoverable under the hull and machinery policies in respect of the Ship in consequence of her insured value being less than the value at which the Ship is assessed for the purpose of such claims;

"**expense**" means any kind of cost, charge or expense (including all legal costs, charges and expenses) and any applicable value added or other tax;

"**gross negligence**" means a form of negligence which is distinct from ordinary negligence, in which the due diligence and care which are generally to be exercised have been disregarded to a particularly high degree, in which the plainest deliberations have not been made and that which should be most obvious to everybody has not been followed;

"**law**" includes any form of delegated legislation, any order or decree, any treaty or international convention and any regulation or resolution of the Council of the European Union, the European Commission, the United Nations or its Security Council;

"**legal or administrative action**" means any legal proceeding or arbitration and any administrative or regulatory action or investigation;

"**liability**" includes every kind of debt or liability (present or future, certain or contingent), whether incurred as principal or surety or otherwise;

"**months**" shall be construed in accordance with Clause 1.3;

"**obligatory insurances**" means, in relation to a Ship, all insurances effected, or which the Borrower owning the Ship is obliged to effect, under Clause 13 below or any other provision of this Agreement or another Finance Document;

"**parent company**" has the meaning given in Clause 1.4;

"**person**" includes any individual, any partnership, any company; any state, political sub-division of a state and local or municipal authority; and any international organisation;

"**policy**", in relation to any insurance, includes a slip, cover note, certificate of entry or other document evidencing the contract of insurance or its terms;

"**protection and indemnity risks**" means the usual risks covered by a protection and indemnity association managed in London, including pollution risks and the proportion (if any) of any sums payable to any other person or persons in case of collision which are not recoverable under the hull and machinery policies by reason of the incorporation in them of clause 6 of the International Hull Clauses (1/11/02 or 1/11/03), clause 8 of the Institute Time Clauses (Hulls)(1/11/95) or clause 8 of the Institute Time Clauses (Hulls) (1/10/183) or the Institute Amended Running Down Clause (1/10/71) or any equivalent provision;

"**regulation**" includes any regulation, rule, official directive, request or guideline (either having the force of law or compliance with which is reasonable in the ordinary course of business of the party concerned) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

"**subsidiary**" has the meaning given in Clause 1.4;

"**successor**" includes any person who is entitled (by assignment, novation, merger or otherwise) to any other person's rights under this Agreement or any other Finance Document (or any interest in those rights) or who, as administrator, liquidator or otherwise, is entitled to exercise those rights; and in particular references to a successor include a person to whom those rights (or any interest in those rights) are transferred or pass as a result of a merger, division, reconstruction or other reorganisation of it or any other person;

"**tax**" includes any present or future tax, duty, impost, levy or charge of any kind which is imposed by any state, any political sub-division of a state or any local or municipal authority (including any such imposed in connection with exchange controls), and any connected penalty, interest or fine; and

"**war risks**" includes the risk of mines and all risks excluded by clause 29 of the International Hull Clauses (1/11/02 or 1/11/03), clause 24 of the Institute Time Clauses (Hulls)(1/11/1995) or clause 23 of the Institute Time Clauses (Hulls) (1/10/83).

1.3 Meaning of "month"

A period of one or more "months" ends on the day in the relevant calendar month numerically corresponding to the day of the calendar month on which the period started ("**the numerically corresponding day**"), but:

(a) on the Business Day following the numerically corresponding day if the numerically corresponding day is not a Business Day or, if there is no later Business Day in the same calendar month, on the Business Day preceding the numerically corresponding day; or

(b) on the last Business Day in the relevant calendar month, if the period started on the last Business Day in a calendar month or if the last calendar month of the period has no numerically corresponding day,

and "**month**" and "**monthly**" shall be construed accordingly.

1.4 Meaning of "subsidiary"

A company (S) is a subsidiary of another company (P) if:

(a) a majority of the issued shares in S (or a majority of the issued shares in S which carry unlimited rights to capital and income distributions) are directly owned by P or are indirectly attributable to P; or

(b) P has direct or indirect control over a majority of the voting rights attached to the issued shares of S; or

(c) P has the direct or indirect power to appoint or remove a majority of the directors of S,

and any company of which S is a subsidiary is a parent company of S.

1.5 General Interpretation

(a) In this Agreement:

(i) references to, or to a provision of, a Finance Document or any other document are references to it as amended or supplemented, whether before the date of this Agreement or otherwise;

(ii) references to, or to a provision of, any law include any amendment, extension, re-enactment or replacement, whether made before the date of this Agreement or otherwise; and

(iii) words denoting the singular number shall include the plural and vice versa.

(b) Clauses 1.1 to 1.4 and paragraph (a) of this Clause 1.5 apply unless the contrary intention appears.

(c) References in Clause 1.1 to a document being in the form of a particular Appendix include references to that form with any modifications to that form which the Facility Agent (with the authorisation of the Majority Lenders in the case of substantial modifications) approves or reasonably requires.

(d) The clause headings shall not affect the interpretation of this Agreement.

2 FACILITY AND INCREASE OF TOTAL COMMITMENTS

2.1 Amount of facility

Subject to the other provisions of this Agreement, the Lenders shall make available to the Borrower a term loan facility not exceeding $225,000,000 in aggregate which, in the case of Tranche A, was and, in the case of Tranche B, shall be made available in two Tranches each in the following amounts:

(a) Tranche A was made available on the Drawdown Date of that Tranche in the amount of $75,000,000;

(b) Tranche B shall be in an amount not exceeding $75,000,000 **Provided that** that amount may be increased (the "**Increase**") by $75,000,000 (the "**Increased Commitment**") if each Additional Lender becomes a Lender in accordance with this Clause 2.1(b) and Clauses 2.4, 2.5, 2.6, 2.7, 26.8, 26.9 and 26.13 of this Agreement, subject to:

(i) the aggregate of the Additional Lenders' Commitments being equal to the Increased Commitment;

(ii) each Additional Lender delivering to the Facility Agent a completed certificate in the form set out in Schedule 8 with any modifications approved or required by the Facility Agent (in relation to that Additional Lender, the "**Additional Lender's Certificate**") executed by the Existing Lenders and that Additional Lender;

(iii) the Borrower or any Security Party executing, delivering and/or registering any additional document in accordance with the terms of the Deed of Amendment and Restatement and this Agreement required by the Facility Agent to effect the Increase in accordance with Clauses 2.1(b), 26.8, 26.9 and 26.13;

(iv) on the Increased Commitment Date, each Additional Lender acquiring a Contribution in Tranche A already drawn down in the proportion which, as at the Increased Commitment Date, its Commitment bears to the original Total Commitments as increased pursuant to Clause 2.1(b). For the avoidance of doubt, on the Increased Commitment Date, each Existing Lender's remaining Commitment shall be increased in an amount equal to the Contribution assigned by that Existing Lender to that Additional Lender on the same day;

(v) all costs and expenses incurred by any Lender in connection with the negotiation, preparation, execution or registration of any documents to give effect to the Increase pursuant to this Clause 2.1(b) shall be borne by the Borrower (other than any breakage costs incurred by the Existing Lenders which shall be borne by the Additional Lenders (on a pro rata basis));

(c) Tranche A may be drawn in up to three Advances (all of which have been drawn down, simultaneously, on the Drawdown Date of that Tranche) and Tranche B may be drawn in multiple Advances, with each Additional Ship (or the acquisition of the shares in an Additional Ship Owner) being part-financed by not more than one Advance.

2.2 Lenders' participations in an Advance

Subject to the other provisions of this Agreement, each Lender shall participate in an Advance in the proportion which, as at the Drawdown Date applicable to that Advance, its Commitment bears to the Total Commitments.

2.3 Purpose of Loan

The Borrower undertakes with each Creditor Party to use each Advance only for the purpose stated in the preamble to this Agreement.

2.4 Additional Lender's Certificate, delivery and notification

As soon as reasonably practicable after each Additional Lender's Certificate is delivered to the Facility Agent, it shall (unless it has reason to believe that that Additional Lender's Certificate may be defective):

(a) ensure that all relevant "know your customer" requirements in connection with that Additional Lender are complied with under all applicable laws and regulations and shall promptly notify the other Lenders and that Additional Lender accordingly;

(b) sign that Additional Lender's Certificate on behalf of itself the Borrower, the Security Parties, the Security Trustee and each of the other Lenders and the Swap Bank;

(c) on behalf of that Additional Lender, send to the Borrower and each Security Party letters or faxes notifying them of that Additional Lender's Certificate and attaching a copy of it; and

(d) send to that Additional Lender copies of the letters or faxes sent under paragraph (b) above.

2.5 Effective Date of each Additional Lender's Certificate

Each Additional Lender's Certificate becomes effective on the date, if any, specified in the relevant Additional Lender's Certificate as its effective date **Provided that** it is signed by the Facility Agent under Clause 2.4 on or before that date.

2.6 No Increase of Total Commitments without Additional Lender's Certificate

The Increase of the Total Commitments shall not be binding and effective unless it is effected, evidenced or perfected by each Additional Lender's Certificate.

2.7 Effect of Additional Lender's Certificate

Each Additional Lender's Certificate takes effect in accordance with English law as follows:

(a) the relevant Additional Lender becomes a Lender with a Commitment of an amount of up to:

(i) in the case of NBG, $25,000,000; and

(ii) in the case of SEB, $50,000,000,

a proportion of which shall be used to acquire part of each Existing Lender's Contribution pursuant to Clause 2.1(b)(iv);

(b) to the extent specified in that Additional Lender's Certificate, all rights and interests (present, future or contingent) which each Existing Lender has under or by virtue of the Finance Documents (other than the Master Agreement) are assigned to the Transferee Lender absolutely, free of any defects in the relevant Existing Lender's title and of any rights or equities which the Borrower or any Security Party had against that Existing Lender;

(c) that Additional Lender becomes bound by all the provisions of the Finance Documents (other than the Master Agreement) which are applicable to the Lenders generally, including those about pro-rata sharing and the exclusion of liability on the part of, and the indemnification of, the Facility Agent and the Security Trustee;

(d) any part of the Loan which that Additional Lender advances on or after the effective date specified in the relevant Additional Lender's Certificate ranks in point of priority and security in the same way as it would have ranked had it been advanced by the Existing Lenders, assuming that any defects in the Existing Lender's title and any rights or equities of the Borrower or any Security Party against the Existing Lenders had not existed;

(e) that Additional Lender becomes entitled to all the rights under the Finance Documents (other than the Master Agreement) which are applicable to the Lenders generally, including but not limited to those relating to the Majority Lenders and those under Clause 5.7 and Clause 20; and

(f) in respect of any breach of a warranty, undertaking, condition or other provision of a Finance Document or any misrepresentation made in or in connection with a Finance Document (other than the Maser Agreement), that Additional Lender shall be entitled to recover damages by reference to the loss incurred by it as a result of the breach or misrepresentation, irrespective of whether the original Lender would have incurred a loss of that kind or amount.

The rights and equities of the Borrower or any Security Party referred to above include, but are not limited to, any right of set off and any other kind of cross-claim.

3 POSITION OF THE LENDERS, THE SWAP BANK AND THE MAJORITY LENDERS

3.1 Interests of Lenders and Swap Bank several

The rights of the Lenders and the Swap Bank under this Agreement and the Master Agreement are several; accordingly:

(a) each Lender shall be entitled to sue for any amount which has become due and payable by the Borrower to it under this Agreement; and

(b) the Swap Bank shall be entitled to sue for any amount which has become due and payable by the Borrower to it under the Master Agreement,

without joining the Facility Agent, the Security Trustee, any other Lender or the Swap Bank as additional parties in the proceedings.

3.2 Proceedings by individual Lender or Swap Bank

However, without the prior consent of the Majority Lenders, no Lender and the Swap Bank may bring proceedings in respect of:

(a) any other liability or obligation of the Borrower or a Security Party under or connected with a Finance Document or the Master Agreement; or

(b) any misrepresentation or breach of warranty by the Borrower or a Security Party in or connected with a Finance Document or the Master Agreement without the prior consent of the Majority Lenders.

3.3 Obligations several

The obligations of the Lenders under this Agreement and of the Swap Bank under the Master Agreement are several; and a failure of a Lender to perform its obligations under this Agreement or a failure of the Swap Bank to perform its obligations under the Master Agreement shall not result in:

(a) the obligations of the other Lenders or the Swap Bank being increased; nor

(b) the Borrower, any Security Party or any other Creditor Party being discharged (in whole or in part) from its obligations under any Finance Document

and in no circumstances shall a Lender or the Swap Bank have any responsibility for a failure of another Lender or the Swap Bank to perform its obligations under this Agreement or the Master Agreement.

3.4 Parties bound by certain actions of Majority Lenders

Every Lender, the Swap Bank, the Borrower and each Security Party shall be bound by:

(a) any determination made, or action taken, by the Majority Lenders under any provision of a Finance Document;

(b) any instruction or authorisation given by the Majority Lenders to the Facility Agent or the Security Trustee under or in connection with any Finance Document;

(c) any action taken (or in good faith purportedly taken) by the Facility Agent or the Security Trustee in accordance with such an instruction or authorisation.

3.5 Reliance on action of Facility Agent

However, the Borrower and each Security Party:

(a) shall be entitled to assume that the Majority Lenders have duly given any instruction or authorisation which, under any provision of a Finance Document, is required in relation to any action which the Facility Agent has taken or is about to take; and

(b) shall not be entitled to require any evidence that such an instruction or authorisation has been given.

3.6 Construction

In Clauses 3.4 and 3.5 references to action taken include (without limitation) the granting of any waiver or consent, an approval of any document and an agreement to any matter.

4 DRAWDOWN

4.1 Request for Advance

Subject to the following conditions, the Borrower may request an Advance to be made by ensuring that the Facility Agent receives a completed Drawdown Notice not later than 11.00 a.m. (London time) 3 Business Days prior to the intended Drawdown Date. For the avoidance of doubt, as at the date of the Deed of Amendment and Restatement Tranche A has been drawn down in full, in a single Advance on the relevant Drawdown Date, in accordance with Clause 4.2(b).

4.2 Availability

The conditions referred to in Clause 4.1 are that:

(a) a Drawdown Date has to be a Business Day during the Availability Period;

(b) each Advance under Tranche A shall be used in refinancing the acquisition cost of an Existing Ship or in part-financing the acquisition cost of the whole of the issued share capital of the Existing Owners;

(c) each Advance under Tranche B shall be used in part-financing or refinancing the acquisition of an Additional Ship or in part-financing or refinancing the acquisition cost of the whole of the issued share capital (free of any encumbrances or charges, except those permitted by the Majority Lenders) in an Additional Ship Owner **Provided that**:

  (i) the Borrower may draw down an Advance under Tranche B to finance or refinance the acquisition cost of an Additional Ship or the whole of the issued share capital of an Additional Ship Owner if, after such Advance is drawn down, the then outstanding amount of the Loan does not exceed 60 per cent. of the aggregate Market Value of all Ships then subject to a Mortgage;

  (ii) an Advance under Tranche B may only be used to part-finance or refinance in part (i) the acquisition cost of the whole of the issued share capital of an Additional Ship Owner or (ii) if the Additional Ship Owner has entered into an Additional Ship MOA to acquire an Additional Ship, the acquisition cost of that Additional Ship; and

  (iii) an Advance under Tranche B shall not exceed 50 per cent. of the Market Value (determined no later than 14 days before the Drawdown Date for that Advance) of the Ship owned or to be owned by the relevant Additional Ship Owner;

(d) if any part of the Total Commitments has not been borrowed before the end of the Availability period, the Total Commitments shall on that date be permanently cancelled by an amount equal to such undrawn amount.

4.3 Purpose of Advances

The Borrower undertakes with each Creditor Party to use each Advance only for the purposes stated in the Recitals to this Agreement.

4.4 Notification to Lenders of receipt of a Drawdown Notice

The Facility Agent shall promptly notify the Lenders that it has received a Drawdown Notice and the Facility Agent shall inform each Lender of:

(a) the amount of the Advance and the Drawdown Date;

(b) the amount of that Lender’s participation in the Advance; and

(c) the duration of the first Interest Period.

4.5 Drawdown Notice irrevocable

A Drawdown Notice must be duly signed by a director or other authorised person of the Borrower; and once served, a Drawdown Notice cannot be revoked without the prior consent of the Facility Agent, acting on the authority of the Majority Lenders.

4.6 Lenders to make available Contributions

Subject to the provisions of this Agreement, each Lender shall, on and with value on each Drawdown Date, make available to the Facility Agent for the account of the Borrower the amount due from that Lender on that Drawdown Date under Clause 2.1.

4.7 Disbursement of Advance

Subject to the provisions of this Agreement, the Facility Agent shall on each Drawdown Date pay to the Borrower the amounts which the Facility Agent receives from the Lenders under Clause 4.6; and that payment to the Borrower shall be made:

(a) to such account which the Borrower specifies in the Drawdown Notice; and

(b) in the like funds as the Facility Agent received the payments from the Lenders.

4.8 Disbursement of Advance to third party

The payment by the Facility Agent under Clause 4.7 to an Additional Ship Seller or any other third party shall constitute the making of the Advance and the Borrower shall thereupon become indebted, as principal and direct obligor, to each Lender in an amount equal to that Lender's Contribution.

5 INTEREST

5.1 Payment of normal interest

Subject to the provisions of this Agreement, interest on each Advance in respect of each Interest Period shall be paid by the Borrower in arrears on the last day of that Interest Period.

5.2 Normal rate of interest

Subject to the provisions of this Agreement, the rate of interest on each Advance in respect of an Interest Period shall be the aggregate of:

(a) the Margin;

(b) the Mandatory Cost (if any); and

(c) LIBOR for that Interest Period.

5.3 Payment of accrued interest

In the case of an Interest Period longer than 3 months, accrued interest shall be paid every 3 months during that Interest Period and on the last day of that Interest Period.

5.4 Notification of Interest Periods and rates of normal interest

The Facility Agent shall notify the Borrower and each Lender of:

(a) each rate of interest; and

(b) the duration of each Interest Period,

as soon as reasonably practicable after each is determined.

5.5 Obligation of Reference Bank to quote

A Reference Bank shall use all reasonable efforts to supply the quotation required of it for the purposes of fixing a rate of interest under this Agreement unless such Reference Bank ceases to be a Lender pursuant to Clause 26.17.

5.6 Absence of quotations by Reference Banks

If any Reference Bank fails to supply a quotation by 12 p.m. (London time) on a Quotation Date, the Facility Agent shall determine the relevant LIBOR on the basis of the quotations supplied by the other Reference Bank or Banks; but if 2 or more of the Reference Banks fail to provide a quotation, the relevant rate of interest shall be set in accordance with the following provisions of this Clause 5.

5.7 Market disruption

The following provisions of this Clause 5 apply if:

(a) no rate is quoted on REUTERS BBA Page LIBOR 01 (or any substitute page thereof) and the Reference Banks do not, before 1.00 p.m. (London time) on the Quotation Date for an Interest Period, provide quotations to the Facility Agent in order to fix LIBOR; or

(b) at least 1 Business Day before the start of an Interest Period, a Lender notifies the Facility Agent that LIBOR fixed by the Facility Agent would not accurately reflect the cost to that Lender of funding its Contributions (or any part of them) during the Interest Period in the London Interbank Market at or about 11.00 a.m. (London time) on the Quotation Date for the Interest Period; or

(c) at least 1 Business Day before the start of an Interest Period, the Facility Agent is notified by a Lender (the "**Affected Lender**") that for any reason it is unable to obtain Dollars in the London Interbank Market in order to fund its Contribution (or any part of it) during the Interest Period.

5.8 Notification of market disruption

The Facility Agent shall promptly notify the Borrower and each of the Lenders stating the circumstances failing within Clause 5.7 which have caused its notice to be given.

5.9 Suspension of drawdown

If the Facility Agent's notice under Clause 5.8 is served before an Advance is made:

(a) in a case falling within paragraphs (a) or (b) of Clause 5.7, the Lenders' obligations to make the Advance;

(b) in a case falling within paragraph (c) of Clause 5.7, the Affected Lender's obligation to participate in the Advance,

shall be suspended while the circumstances referred to in the Facility Agent's notice continue.

5.10 Negotiation of alternative rate of interest

If the Facility Agent's notice under Clause 5.8 is served after an Advance is made, the Borrower, the Facility Agent and the Lenders or (as the case may be) the Affected Lender shall use reasonable endeavours to agree, within the 30 days after the date on which the

Facility Agent serves its notice under Clause 5.8 (the "**Negotiation Period**"), an alternative interest rate or (as the case may be) an alternative basis for the Lenders or (as the case may be) the Affected Lender to fund or continue to fund their or its Contribution to the relevant Advance or Advances during the Interest Period concerned.

5.11 Application of agreed alternative rate of interest

Any alternative interest rate or an alternative basis which is agreed during the Negotiation Period shall take effect in accordance with the terms agreed.

5.12 Alternative rate of interest in absence of agreement

If an alternative interest rate or alternative basis is not agreed within the Negotiation Period, and the relevant circumstances are continuing at the end of the Negotiation Period, then the Facility Agent shall, with the agreement of each Lender or (as the case may be) the Affected Lender, set an interest period and interest rate representing the cost of funding of the Lenders or (as the case may be) the Affected Lender in Dollars or in any available currency of their or its Contribution to the relevant Advance or Advances plus the Margin and the Mandatory Cost (if any); and the procedure provided for by this Clause 5.12 shall be repeated if the relevant circumstances are continuing at the end of the interest period so set by the Facility Agent.

5.13 Notice of prepayment

If the Borrower does not agree with an interest rate set by the Facility Agent under Clause 5.12, the Borrower may give the Facility Agent not less than 15 Business Days' notice of its intention to prepay the relevant Advance or Advances at the end of the interest period set by the Facility Agent.

5.14 Prepayment; termination of Commitments

A notice under Clause 5.13 shall be irrevocable; the Facility Agent shall promptly notify the Lenders or (as the case may require) the Affected Lender of the Borrower' notice of intended prepayment; and:

(a) on the date on which the Facility Agent serves that notice, the Total Commitments or (as the case may require) the Commitment of the Affected Lender so far as they relate to the relevant Advance shall be cancelled; and

(b) on the last Business Day of the interest period set by the Facility Agent, the Borrower shall prepay (without premium or penalty) the Loan or, as the case may be, the Affected Lender's Contribution, together with accrued interest thereon at the applicable rate plus the Margin and the Mandatory Cost (if any).

5.15 Application of prepayment

The provisions of Clause 8 shall apply in relation to the prepayment.

6 INTEREST PERIODS

6.1 Commencement of Interest Periods

The first Interest Period applicable to an Advance shall commence on the relevant Drawdown Date and each subsequent Interest Period shall commence on the expiry of the preceding Interest Period.

6.2 Duration of normal Interest Periods

Subject to Clauses 6.3 and 6.4, each Interest Period in respect of each Advance shall be:

(a) 3, 6 or 12 months as notified by the Borrower to the Facility Agent not later than 11.00 a.m. (London time) 3 Business Days before the commencement of the Interest Period;

(b) in the case of the first Interest Period applicable to the second and any subsequent Advance of a Tranche, a period ending on the last day of the then current Interest Period applicable to such Tranche, whereupon all of the Advances in respect of such Tranche shall be consolidated and treated as a single advance;

(c) 3 months, if the Borrower fail to notify the Facility Agent by the time specified in paragraph (a) above; or

(d) such other period as the Borrower may request from the Facility Agent, which may be agreed by the Facility Agent.

6.3 Duration of Interest Periods for Repayment Instalments

In respect of an amount due to be repaid under Clause 8 on a particular Repayment Date, an Interest Period in relation to the relevant Tranche shall end on that Repayment Date.

6.4 Non-availability of matching deposits for Interest Period selected

If, after the Borrower has selected and the Lenders have agreed an Interest Period longer than 3 months, any Lender notifies the Facility Agent by 11.00 a.m. (London time) on the second Business Day before the commencement of the Interest Period that it is not satisfied that deposits in Dollars for a period equal to the Interest Period will be available to it in the London Interbank Market when the Interest Period commences, the Interest Period shall be of 3 months.

7 DEFAULT INTEREST

7.1 Payment of default interest on overdue amounts

The Borrower shall pay interest in accordance with the following provisions of this Clause 7 on any amount payable by the Borrower under any Finance Document which the Facility Agent, the Security Trustee or the other designated payee does not receive on or before the relevant date, that is:

(a) the date on which the Finance Documents provide that such amount is due for payment; or

(b) if a Finance Document provides that such amount is payable on demand, the date on which the demand is served; or

(c) if such amount has become immediately due and payable under Clause 19.4, the date on which it became immediately due and payable.

7.2 Default rate of interest

Interest shall accrue on an overdue amount from (and including) the relevant date until the date of actual payment (as well after as before judgment) at the rate per annum determined by the Facility Agent to be 2 per cent. above:

(a) in the case of an overdue amount of principal, the higher of the rates set out at paragraphs (a) and (b) of Clause 7.3; or

(b) in the case of any other overdue amount, the rate set out at paragraph (b) of Clause 7.3.

7.3 Calculation of default rate of interest

The rates referred to in Clause 7.2 are:

(a) the rate applicable to the overdue principal amount immediately prior to the relevant date (but only for any unexpired part of any then current Interest Period);

(b) the Margin, any Mandatory Cost plus, in respect of successive periods of any duration (including at call) up to 3 months which the Facility Agent may select from time to time:

(i) LIBOR; or

(ii) if the Facility Agent determines that Dollar deposits for any such period are not being made available to a Lender or (as the case may be) Lenders by leading banks in the London Interbank Market in the ordinary course of business, a rate from time to time determined by the Facility Agent by reference to the cost of funds to the Facility Agent from such other sources as the Facility Agent may from time to time determine.

7.4 Notification of interest periods and default rates

The Facility Agent shall promptly notify the Lenders and the Borrower of each interest rate determined by the Facility Agent under Clause 7.3 and of each period selected by the Facility Agent for the purposes of paragraph (b) of that Clause; but this shall not be taken to imply that the Borrower is liable to pay such interest only with effect from the date of the Facility Agent's notification.

7.5 Payment of accrued default interest

Subject to the other provisions of this Agreement, any interest due under this Clause shall be paid on the last day of the period by reference to which it was determined; and the payment shall be made to the Facility Agent for the account of the Creditor Party to which the overdue amount is due.

7.6 Compounding of default interest

Any such interest which is not paid at the end of the period by reference to which it was determined shall thereupon be compounded.

7.7 Application to Master Agreement

For the avoidance of doubt, this Clause 7 does not apply to any amount payable under the Master Agreement in respect of any continuing Designated Transaction as to which section 2(e) (Default Interest; Other Amounts) of the Master Agreement shall apply.

8 REPAYMENT AND PREPAYMENT

8.1 Repayment Instalments

The Borrower shall repay:

(a) Tranche A by:

(i) 20 equal consecutive quarterly repayment instalments (each a "**Tranche A Instalment**" and together, the "**Tranche A Instalments**"), each in the amount of Y; and

(ii) a balloon instalment (the "**Balloon Instalment A**") in the amount of Z;

(b) Tranche B by:

(i) 20 equal consecutive quarterly repayment instalments (the "**Tranche B Instalment**" and together with the Tranche A Instalments, the "**Instalments**"), each in the amount of Y; and

(ii) a balloon instalment (the "**Balloon Instalment B**" and together with the Balloon Instalment A, the "**Balloon Instalments**" and each a "**Balloon Instalment**") in the amount of Z.

In this clause 8.1:

"**A**" means:

(a) in the case of Tranche A, the amount of the Advance in respect of an Existing Ship; and

(b) in the case of Tranche B, the amount of the Advance in respect of an Additional Ship;

"**Age**" means, in relation to a Ship, the number of integral years from the year in which the construction of that Ship was completed and ending on 31 March 2016;

"**B**" means, in respect of a Ship:

(a) in the case of Tranche A, 13; and

(b) in the case of Tranche B, 16,

minus, in each case, the Age of that Ship;

"**C**" means A divided by the applicable B;

"**D**" means C divided by 4;

"**E**" means D multiplied by 20;

"**F**" means, in respect of each Ship, A for that Ship minus E;

"**Y**" means, in relation to each Tranche, the aggregate of D for all Ships in respect of that Tranche as at the end of the relevant Availability Period; and

"**Z**" means, in relation to each Tranche, the aggregate of F for all Ships applicable to that Tranche.

8.2 Repayment Dates

The first Repayment Instalment in respect of each Tranche shall be repaid on 30 March 2016, each subsequent Repayment Instalment in respect of that Tranche shall be repaid at 3-monthly intervals thereafter and the last Repayment Instalment in respect of that Tranche shall be repaid, together with the relevant Balloon Instalment, on 31 December 2020

8.3 Final Repayment Date

On the final Repayment Date, the Borrower shall additionally pay to the Facility Agent for the account of the Creditor Parties all other sums then accrued or owing under any Finance Document.

8.4 Optional facility cancellation

The Borrower shall be entitled, upon giving to the Facility Agent not less than 5 Business Days prior written notice (which notice shall be irrevocable), to cancel, in whole or in part, and, if in part, by an amount not less than $1,000,000 or a higher multiple of $1,000,000, the undrawn balance of the Total Commitments. Upon such cancellation taking effect on expiry of such notice the several obligations of the Lenders to make their respective Commitments available in relation to the portion of the Total Commitments to which such notice relates shall terminate and the commitment fee referred to in Clause 20.1) on such portion shall cease to accrue.

8.5 Voluntary prepayment

Subject to the following conditions, the Borrower may prepay the whole or any part of the Loan on the last day of an Interest Period in respect thereof.

8.6 Conditions for voluntary prepayment

The conditions referred to in Clause 8.5 are that:

(a) a partial prepayment shall be $1,000,000 or an integral multiple of $1,000,000;

(b) the Facility Agent has received from the Borrower at least 5 Business Days' prior written notice specifying:

(i) the amount to be prepaid and the date on which the prepayment is to be made; and

(ii) whether such prepayment will be applied against a Tranche, in which case the Borrower will specify the Tranche against which that prepayment should be applied. A failure by the Borrower to make such a designation shall result in the prepayment being applied against each Tranche in accordance with Clause 8.11(a); and

(c) the Borrower has provided evidence satisfactory to the Facility Agent that any consent required by the Borrower or any Security Party in connection with the prepayment has been obtained and remains in force, and that any requirement relevant to this Agreement which affects the Borrower or any Security Party has been complied with.

8.7 Effect of notice of prepayment

A prepayment notice may not be withdrawn or amended without the consent of the Facility Agent, given with the authority of the Majority Lenders, and the amount specified in the prepayment notice shall become due and payable by the Borrower on the date for prepayment specified in the prepayment notice.

8.8 Notification of notice of prepayment

The Facility Agent shall notify the Lenders promptly upon receiving a prepayment notice, and shall provide any Lender which so requests with a copy of any document delivered by the Borrower under Clause 8.6(c).

8.9 Mandatory prepayment

The Borrower shall be obliged to prepay the Relevant Amount if a Ship is sold or becomes a Total Loss:

(a) in the case of a sale, on or before the date on which the sale is completed by delivery of that Ship to the buyer; or

(b) in the case of a Total Loss, on the earlier of the date falling 180 days after the Total Loss Date and the date of receipt by the Security Trustee of the proceeds of insurance relating to such Total Loss.

In this Clause 8.9, "**Relevant Amount**" means an amount which, after giving credit for the amount of the prepayment made pursuant to this Clause 8.9, results in the Security Cover Ratio being equal to the higher of (i) the Security Cover Ratio maintained immediately prior to the prepayment made pursuant to this Clause 8.9 and (ii) the Security Cover Ratio referred to in Clause 15.1.

8.10 Amounts payable on prepayment

A prepayment shall be made together with accrued interest (and any other amount payable under Clause 21 below or otherwise) in respect of the amount prepaid and, if the prepayment is not made on the last day of an Interest Period together with any sums payable under Clause 21.1(b) but without premium or penalty.

8.11 Application of partial prepayment

Each partial prepayment shall be applied:

(a) if made pursuant to Clause 8.5, first against Tranche B pro rata against the Repayment Instalments in respect of that Tranche which are at the time being outstanding and the relevant Balloon Instalment and hereafter against Tranche A pro rata against the Repayment Instalments from that Tranche which are at the time being outstanding and thereafter against the relevant Balloon Instalment **Provided that** the Borrower may, at its option, request that a prepayment made in accordance with Clause 8.5 be applied against one Tranche only in which case such prepayment shall be applied pro rata against the Repayment Instalments in respect of that Tranche which are at that time being outstanding and the relevant Balloon Instalment or in any other manner of application requested by the Borrower and agreed by the Lenders (in the Lenders' absolute discretion); and

(b) if made pursuant to Clause 8.9 first towards reduction of the Tranche related to the Ship being sold or which has become a Total Loss and then towards pro rata reduction of the Repayment Instalments of the other Tranche which are at the time being outstanding and the Balloon Instalment in respect of that Tranche.

8.12 No reborrowing

No amount prepaid or cancelled may be reborrowed.

8.13 Prepayment fee

If, at any time during the period commencing on the date of this Agreement and ending on the date falling on the first anniversary thereof, (inclusive):

(a) the Borrower makes a voluntary prepayment pursuant to Clause 8.5; or

(b) the Borrower cancels in whole or in part the undrawn balance of the Total Commitments pursuant to Clause 8.4,

the Borrower shall pay to the Lenders on the date of the relevant prepayment or cancellation, a prepayment fee equal to 1.5 per cent. of the amount prepaid.

8.14 Unwinding of Designated Transactions

On or prior to any repayment or prepayment of the Loan under this Clause 8 or any other provision of this Agreement, the Borrower shall wholly or partially reverse, offset, unwind or

otherwise terminate one or more of the continuing Designated Transactions to the extent necessary to ensure that the notional principal amount of the continuing Designated Transactions thereafter remaining does not and will not in the future (taking into account the scheduled amortisation) exceed the amount of the Loan as reducing from time to time thereafter pursuant to Clause 8.1.

8.15 Prepayment of Swap Benefit

If a Designated Transaction is terminated in circumstances where the Swap Bank would be obliged to pay an amount to the Borrower under the Master Agreement, the Borrower hereby agrees that such payment shall be applied in prepayment of the Loan in accordance with Clause 8.11 and authorises the Swap Bank to pay such amount to the Facility Agent for such purpose.

9 CONDITIONS PRECEDENT/SUBSEQUENT

9.1 Documents, fees and no default

Each Lender's obligation to contribute to an Advance in respect of Tranche B is subject to the following conditions precedent:

(a) that on or before the date of the Deed of Amendment and Restatement, the Facility Agent receives the documents described in Part A of Schedule 3 in loan and substance satisfactory to the Facility Agent and its lawyers;

(b) that, on or before the service of the Drawdown Notice in respect of each Advance of Tranche B, the Facility Agent receives the documents described in Part B of Schedule 3 in form and substance satisfactory to the Facility Agent and its lawyers;

(c) that both at the date of each Drawdown Notice and at each Drawdown Date:

(i) no Event of Default or Potential Event of Default has occurred and is continuing or would result from the borrowing of the relevant Advance; and

(ii) the representations and warranties in Clause 10 and those of the Borrower or any Security Party which are set out in the other Finance Documents would be true and not misleading if repeated on each of those dates with reference to the circumstances then existing; and

(iii) none of the circumstances contemplated by Clause 5.7 has occurred and is continuing; and

(iv) there is no Material Adverse Change in existence; and

(v) the Borrower has entered into Designated Transactions with the Swap Bank in order to hedge all the interest rate risk under this Agreement as at the relevant Drawdown Date (immediately following the drawdown of the relevant Advance); and

(vi) the Facility Agent receives any fees referred to in Clause 20.1 which are due and payable at that time;

(d) that, if the ratio set out in Clause 15.1 were applied immediately following the making of the relevant Advance, the Borrower would not be obliged to provide additional security or prepay part of the Loan under that Clause; and

(e) that the Facility Agent has received, and found to be acceptable to it, any further opinions, consents, agreements and documents in connection with the Finance Documents which the Facility Agent may, with the authorisation of the Majority Lenders, request by notice to the Borrower prior to the relevant Drawdown Date.

9.2 Waiver of conditions precedent

If the Majority Lenders, at their discretion, permit an Advance to be borrowed before certain of the conditions referred to in Clause 9.1 are satisfied, the Borrower shall ensure that those conditions are satisfied within 5 Business Days after the relevant Drawdown Date (or such longer period as the Facility Agent may, with the authorisation of the Majority Lenders, specify).

10 REPRESENTATIONS AND WARRANTIES

10.1 General

The Borrower represents and warrants to each Creditor Party as follows.

10.2 Status

The Borrower is a limited partnership (comprised of a single general partner and multiple limited partners) formed and validly existing and in good standing under the laws of the Republic of Marshall Islands.

10.3 Capital

The Borrower's capital consists of at least 86,507,376 common units held by public unitholders, including 17,692,891 common units held by Capital Maritime & Trading Corp. and a general partner interest held by Capital GP L.L.C.

10.4 Corporate power

The Borrower (or, in the case of paragraphs (a) and (b), each Existing Owner) has the partnership or corporate capacity, and has taken all partnership or corporate action and obtained all consents necessary for it:

(a) to own and register the Existing Ship owned by it under the relevant Approved Flag;

(b) to enter into, and perform its obligations under, the Existing Charter to which it is a party;

(c) to execute the Finance Documents to which the Borrower is a party; and

(d) to borrow under this Agreement, to enter into Designated Transactions under the Master Agreement and to make all the payments contemplated by, and to comply with, those Finance Documents to which the Borrower is a party.

10.5 Consents in force

All the consents referred to in Clause 10.4 remain in force and nothing has occurred which makes any of them liable to revocation.

10.6 Legal validity; effective Security Interests

The Finance Documents to which the Borrower is a party, do now or, as the case may be, will, upon execution and delivery (and, where applicable, registration as provided for in the Finance Documents):

(a) constitute the Borrower's legal, valid and binding obligations enforceable against the Borrower in accordance with their respective terms; and

(b) create legal, valid and binding Security Interests enforceable in accordance with their respective terms over all the assets to which they, by their terms, relate,

subject to any relevant insolvency laws affecting creditors' rights generally.

10.7 No third party Security Interests

Without limiting the generality of Clause 10.6, at the time of the execution and delivery of each Finance Document to which the Borrower is a party:

(a) the Borrower will have the right to create all the Security Interests which that Finance Document purports to create; and

(b) no third party will have any Security Interest (except for Permitted Security Interests) or any other interest, right or claim over, in or in relation to any asset to which any such Security Interest, by its terms, relates.

10.8 No conflicts

The execution by the Borrower of each Finance Document to which it is a party, and the borrowing by the Borrower of the Loan, and its compliance with each Finance Document to which it is a party will not involve or lead to a contravention of:

(a) any law or regulation; or

(b) the constitutional documents of the Borrower; or

(c) any contractual or other obligation or restriction which is binding on the Borrower or any of its assets,

and will not have a Material Adverse Effect.

10.9 No withholding taxes

All payments which the Borrower is liable to make under the Finance Documents may be made without deduction or withholding for or on account of any tax payable under any law of any Pertinent Jurisdiction.

10.10 No default

No Event of Default has occurred and is continuing.

10.11 Information

All information which has been provided in writing by or on behalf of the Borrower or any Security Party to any Creditor Party in connection with any Finance Document satisfied the requirements of Clause 11.5; all audited and unaudited accounts which have been so provided satisfied the requirements of Clause 11.7; and there has been no material adverse change in the financial position or state of affairs of the Borrower from that disclosed in the latest of those accounts which is likely to have a Material Adverse Effect.

10.12 No litigation

No legal or administrative action involving the Borrower or any Security Party (including action relating to any alleged or actual breach of the ISM Code or the ISPC Code) has been commenced or taken or, to the Borrower's knowledge, is likely to be commenced or taken which would, in either case, be likely to have a Material Adverse Effect.

10.13 Validity and completeness of Existing Charters

(a) Each Existing Charter constitutes valid, binding and enforceable obligations of the parties thereto respectively in accordance with its terms; and

(b) No amendments or additions to any Existing Charter have been agreed (other than those notified to the Facility Agent prior to the date of this Agreement) nor has any party thereto waived any of their respective rights under any Existing Charter.

10.14 Compliance with certain undertakings

At the date of this Agreement, the Borrower is in compliance with Clauses 11.2, 11.4, 11.9 and 11.14.

10.15 Taxes paid

The Borrower has paid all taxes applicable to, or imposed on or in relation to the Borrower and its business.

10.16 ISM and ISPS Code compliance

All requirements of the ISM Code and the ISPS Code as they relate to the Borrower, any Owner, the Approved Manager and any Existing Ship have been complied with.

10.17 No Money laundering

The Borrower:

(a) will not, and will procure that no Security Party, to the extent applicable, will, in connection with this Agreement or any of the other Finance Documents, contravene or permit any subsidiary to contravene, any law, official requirement or other regulatory measure or procedure implemented to combat "money laundering" (as defined in Article 1 of the Directive 2005/60/EC of the European Parliament and of the Council of the European Union of 26 October 2005) and comparable United States Federal and state laws. The Borrower shall further submit any documents and declarations on request, if such documents or declarations are required by any Creditor Party to comply with its domestic money laundering and/or legal identification requirements; and

(b) confirms that it is the beneficiary within the meaning of the German Anti Money Laundering Act (*Gesetz über das Aufspüren von Gewinnen aus schweren Straftaten (Geldwäschegesetz)*), acting for its own account and not for or on behalf of any other person for each part of the Loan made or to be made available to it under this Agreement. That is to say, it acts for its own account and not for or on behalf of anyone else.

The Borrower will promptly inform the Facility Agent by written notice, if it is not or ceases to be the beneficiary and will provide in writing the name and address of the beneficiary.

The Facility Agent shall promptly notify the Lenders of any written notice it receives under this Clause 10.17.

10.18 No Immunity

The Borrower is subject to suit and to commercial law and neither it nor any of its properties have any right of immunity from suit, execution, attachment or other legal process in the Republic of the Marshall Islands.

10.19 Choice of law

The choice of the laws of England to govern the Loan Agreement and those other Finance Documents which are expressed to be governed by the laws of England constitutes a valid choice of law and the submission by the Borrower thereunder to the non-exclusive jurisdiction of the Courts of England is a valid submission and does not contravene the laws of the Republic of the Marshall Islands and the laws of England will be applied by the Courts of The Marshall Islands if the Loan Agreement or those other Finance Documents or any claim thereunder comes under their jurisdiction upon proof of the relevant provisions of the laws of England.

10.20 Repetition

The representations and warranties in this Clause 10 shall be deemed to be repeated by the Borrower:

(a) on the date of service of each Drawdown Notice;

(b) on each Drawdown Date;

(c) with the exception of Clauses 10.9, 10.10, 10.11 and 10.12, on the first day of each Interest Period; and

(d) on the date of the Deed of Amendment and Restatement,

as if made with reference to the facts and circumstances existing on each such day.

10.21 FATCA

Neither the Borrower nor any Security Party is a FATCA FFI or a US Tax Obligor.

11 GENERAL UNDERTAKINGS

11.1 General

The Borrower undertakes with each Creditor Party to comply with the following provisions of this Clause 11 at all times during the Security Period except as the Facility Agent may, with the authorisation of the Majority Lenders, otherwise permit (which permission shall not be unreasonably withheld in connection with Clause 11.13).

11.2 Title; negative pledge and pari passu ranking

The Borrower will:

(a) hold the legal title to, and own the entire beneficial interest in, each Owner free from all Security Interests and other interests and rights of every kind, except for those created by the Finance Documents and the effect of assignments contained in the Finance Documents and except for Permitted Security Interests;

(b) not create or permit to arise any Security Interest over any other asset, present or future other than in the normal course of its business of acquiring and financing vessels; and

(c) procure that its liabilities under the Finance Documents to which it is a party do and will rank at least pari passu with all its other present and future unsecured liabilities, except for liabilities which are mandatorily preferred by law.

11.3 No disposal of assets

The Borrower will not transfer, lease or otherwise dispose of:

(a) all or a substantial part of its assets, whether by one transaction or a number of transactions, whether related or not if such transfer, lease or disposal results in the Borrower being in breach of any of the financial covenants referred to in Clause 12.5 or in the occurrence of an Event of Default; or

(b) any debt payable to it or any other right (present, future or contingent right) to receive a payment, including any right to damages or compensation,

but paragraph (a) does not apply to any charter of a Ship as to which Clause 14.14 applies.

11.4 No other liabilities or obligations to be incurred

The Borrower will not incur any liability or obligation except liabilities and obligations under the Finance Documents and liabilities or obligations reasonably incurred in the ordinary course of its business of acquiring, operating and financing vessels, acquiring shares in vessel owning companies and financing such acquisitions and all other matters reasonably incidental thereto (which shall include, without limitation, but subject to Clause 12.8, any Financial Indebtedness which may be incurred by the Borrower in the ordinary course of its business).

11.5 Information provided to be accurate

All financial and other information, including, but not limited to factual information, exhibits and reports, which is provided in writing by or on behalf of the Borrower under or in connection with any Finance Document will be true and not misleading and will not omit any material fact or consideration.

11.6 Provision of financial statements

The Borrower will send or procure there are sent to the Facility Agent:

(a) as soon as possible, but in no event later than 180 days after the end of each financial year of the Borrower (commencing with the financial statements for the year which ended on 31 December 2012), the audited consolidated annual accounts of the Group;

(b) as soon as possible, but in no event later than 90 days after the end of each 3-month period in each financial year of the Borrower (commencing with the financial statements for the 3- month period which ended on 30 June 2013):

(i) the unaudited consolidated management accounts of the Group for that 3-month period certified as to their correctness by the chief financial officer of the Borrower; and

(ii) the management accounts of each Owner for that 3-month period certified as to their correctness by an officer of the Borrower;

(c) promptly after each request by the Facility Agent, such further financial information about the Borrower, the Ships and the Owners (including, but not limited to, charter arrangements, Financial Indebtedness and operating expenses) as the Facility Agent may require.

11.7 Form of financial statements

All accounts (audited and unaudited) delivered under Clause 11.6 will:

(a) be prepared in accordance with all applicable laws and US GAAP consistently applied;

(b) give a true and fair view of the state of affairs of the relevant person at the date of those accounts and of its profit for the period to which those accounts relate; and

(c) fully disclose or provide for all significant liabilities of the relevant person and its subsidiaries.

11.8 Creditor notices

The Borrower will send to the Facility Agent, at the same time as they are despatched, copies of all communications which are despatched to all of its creditors or to the whole or any class of them.

11.9 Consents

The Borrower will maintain in force and promptly obtain or renew, and will promptly send certified copies to the Facility Agent of, all consents required:

(a) for the Borrower to perform its obligations under any Finance Document to which it is party;

(b) for the validity or enforceability of any Finance Document to which it is party; and

(c) for each Owner to continue to own and operate the Ship owned by it,

and the Borrower will comply (or procure compliance as the case may be) with the terms of all such consents.

11.10 Maintenance of Security Interests

The Borrower will:

(a) at its own cost, do all that it reasonably can to ensure that any Finance Document validly creates the obligations and the Security Interests which it purports to create; and

(b) without limiting the generality of paragraph (a) above, at its own cost, promptly register, file, record or enroll any Finance Document with any court or authority in all Pertinent Jurisdictions, pay any stamp, registration or similar tax in all Pertinent Jurisdictions in respect of any Finance Document, give any notice or take any other step which, in the opinion of the Majority Lenders, is or has become necessary or desirable for any Finance Document to be valid, enforceable or admissible in evidence or to ensure or protect the priority of any Security Interest which it creates.

11.11 Notification of litigation

The Borrower will provide the Facility Agent with details of any legal or administrative action involving the Borrower, any Security Party, the Approved Manager or the Ships, their Earnings or their Insurances as soon as such action is instituted unless it is clear that the legal or administrative action cannot be considered material in the context of any Finance Document.

11.12 No amendment to Master Agreement; Transactions

The Borrower will not:

(a) agree to any amendment or supplement to, or waive or fail to enforce, the Master Agreement or any of its provisions; or

(b) enter into any Transaction pursuant to the Master Agreement except Designated Transactions.

11.13 No amendment to the Existing Charters and of the Charterparty

The Borrower will ensure that no Owner shall agree to any material amendment or supplement to, or waive or fail to enforce, any Existing Charter or any Charterparty or any of its provisions.

11.14 Principal place of business

The Borrower will maintain its place of business, and keep its corporate documents and records, at the address stated at Clause 28.2(a) and the Borrower will not establish nor do anything as a result of which it would be deemed to have, a place of business in England or the United States of America.

11.15 Confirmation of no default

The Borrower will, within 2 Business Days after service by the Facility Agent of a written request, serve on the Facility Agent a notice which is signed by 2 directors of the Borrower and which:

(a) states that no Event of Default has occurred; or

(b) states that no Event of Default has occurred, except for a specified event or matter, of which all material details are given,

the Facility Agent may serve requests under this Clause 11.15 from time to time but only if asked to do so by a Lender or Lenders having Contributions exceeding 10 per cent. of the Loan or Commitments exceeding 10 per cent. of the Total Commitments; this Clause 11.15 does not affect the Borrower's obligations under Clause 11.16.

11.16 Notification of default

The Borrower will notify the Facility Agent as soon as the Borrower becomes aware of:

(a) the occurrence of an Event of Default; or

(b) any matter which indicates that an Event of Default may have occurred,

and will thereafter keep the Facility Agent fully up-to-date with all developments.

11.17 Provision of further information

The Borrower will, as soon as practicable after receiving the request, provide the Facility Agent with any additional financial or other information relating:

(a) to the Borrower, the Ships, their Insurances, their Earnings or the Owners; or

(b) to any other matter relevant to, or to any provision of, a Finance Document,

which may be requested by the Facility Agent, the Security Trustee or any Lender at any time.

11.18 General and administrative costs

The Borrower shall ensure that the payment of all the general and administrative costs of the Borrower and the Owners in connection with the ownership and operation of the Ships

(including, without limitation, the payment of the management fees pursuant to the Management Agreements) shall be fully subordinated to the payment obligations of the Borrower and the Owners under this Agreement and the other Finance Documents throughout the Security Period.

11.19 Provision of copies of SEC filings

The Borrower will send to the Facility Agent copies of all filings made with, and reports submitted to, the US Securities and Exchange Commission promptly after making such filings or submitting such reports **Provided that** any such filings or reports which are made available to the public shall be considered to have been delivered to the Facility Agent subject to the Borrower first having notified the Facility Agent that such filings or reports have been made or submitted.

11.20 Provision of copies and translation of documents

The Borrower will supply the Facility Agent with a sufficient number of copies of the documents referred to above to provide 1 copy for each Creditor Party; and if the Facility Agent so requires in respect of any of those documents, the Borrower will provide a certified English translation prepared by a translator approved by the Facility Agent.

11.21 Hedging of interest rate risks

The Borrower shall from time to time enter into Designated Transactions with the Swap Bank in order to hedge all the interest rate risk under this Agreement.

11.22 FATCA

The Borrower shall not and shall ensure that none of the Security Parties shall become a FATCA FFI or a US Tax Obligor.

11.23 "Know your customer" checks

If:

(a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;

(b) any change in the status of the Borrower or any Security Party after the date of this Agreement; or

(c) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Facility Agent or any Lender (or, in the case of paragraph (c), any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall promptly upon the request of the Facility Agent or the Lender concerned supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or the Lender concerned (for itself or, in the case of the event described in paragraph (c), on behalf of any prospective new Lender) in order for the Facility Agent, the Lender concerned or, in the case of the event described in paragraph (c), any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

12 CORPORATE UNDERTAKINGS

12.1 General

The Borrower also undertakes with each Creditor Party to comply with the following provisions of this Clause 12 at all times during the Security Period except as the Facility Agent may, with the authorisation of the Majority Lenders, otherwise permit (such permission not to be unreasonably withheld in the case of Clause 12.3(d)).

12.2 Maintenance of status

The Borrower will maintain its separate existence as a limited partnership and remain in good standing under the laws of the Republic of the Marshall Islands.

12.3 Negative undertakings

The Borrower will not:

(a) change the nature of its business; or

(b) pay any dividend or make any other form of distribution or effect any form of redemption, purchase or return of share capital **Provided that** the Borrower may make a distribution if:

(i) the Borrower has first submitted to the Facility Agent a Compliance Certificate (with supporting evidence satisfactory to the Facility Agent) which confirms that (A) no Event of Default has occurred or is continuing and (B) the making of such distribution will not result in the Borrower being in breach of any of the financial covenants referred to in Clause 12.5 or in the occurrence of an Event of Default; and

(ii) the Security Cover Ratio referred to in Clause 15.1 is maintained at the time the distribution is made;

(c) provide any form of credit or financial assistance to:

(i) a person who is directly or indirectly interested in the Borrower's share or loan capital; or

(ii) any company in or with which such a person is directly or indirectly interested or connected,

or enter into any transaction with or involving such a person or company on terms which are, in any respect, less favourable to the Borrower than those which it could obtain in a bargain made at arms' length **Provided that** this shall not prevent or restrict the Borrower from on-lending the Loan to the Owners;

(d) allow any Owner to open or maintain any account with any bank or financial institution except accounts with the Facility Agent or any other Creditor Party for the purposes of the Finance Documents; and

(e) cause the common units of the Borrower to cease to be listed on the Nasdaq National Market in New York unless the common units of the Borrower are listed instead on any other internationally recognised stock exchange acceptable to the Lenders, such acceptance not to be unreasonably withheld.

12.4 Subordination of rights of Borrower

All rights which the Borrower at any time has against any Owner or its assets shall be fully subordinated to the rights of the Creditor Parties under the Finance Documents; and in particular, the Borrower shall not during the Security Period:

(a) claim, or in a bankruptcy of any Owner prove for, any amount payable to the Borrower by any Owner, whether in respect of the on-lending of the Loan or any other transaction;

(b) take or enforce any Security Interest for any such amount; or

(c) claim to set-off any such amount against any amount payable by the Borrower to any Owner.

12.5 Financial Covenants

The Borrower shall ensure that at all times:

(a) the ratio of Total Indebtedness less unencumbered cash and cash equivalents to the aggregate Market Value of all the Fleet Vessels shall not exceed 0.725:1;

(b) the ratio of EBITDA to Net Interest Expenses (calculated on a trailing 4-quarter basis (or such other period as the Facility Agent (acting upon the instructions of the Majority Lenders) may otherwise reasonably require)) shall be no less than 2:1; and

(c) at all times the Borrower and all the other members of the Group shall maintain immediately freely available and unencumbered bank or cash deposits in an amount of not less than $500,000 per Fleet Vessel.

12.6 Compliance Check

Compliance with the undertakings contained in Clause 12.5 shall be determined by reference to the unaudited consolidated accounts for the first 3 financial quarters in each Financial Year of the Borrower and for the fourth financial quarter in each Financial Year of the Borrower, the audited consolidated accounts for that Financial Year of the Group delivered to the Facility Agent pursuant to this Agreement. At the same time as it delivers those consolidated accounts, the Borrower shall deliver to the Facility Agent a Compliance Certificate signed by the chief financial officer of the Borrower.

12.7 Maintenance of ownership of Owners

The Borrower shall remain the ultimate legal owner of the entire issued and allotted share capital of each Owner which at the relevant time is party to a Guarantee free from any Security Interest.

13 INSURANCE

13.1 General

The Borrower undertakes with each Creditor Party to procure that each Owner will comply with the following provisions of this Clause 13 at all times during the Security Period (after the Ship which is owned or to be owned by that Owner has been delivered to it under the relevant Shipbuilding Contract) except as the Facility Agent may, with the authorisation of the Majority Lenders, otherwise permit.

13.2 Maintenance of obligatory insurances

The Borrower shall procure that each Owner will keep the Ship owned by it insured at the expense of that Owner against:

(a) fire and usual marine risks (including hull and machinery and excess risks); and

(b) war risks (including protection and indemnity war risks with a separate limit not less than hull value);

(c) protection and indemnity risks (including, without limitation, pollution risks and protection and indemnity war risks in excess of the amount of war risks (hull) each in the highest amount available in the international insurance market); and

(d) any other risks against which the Facility Agent acting on the instructions of the Majority Lenders, having regard to practices, recommendations and other circumstances prevailing at the relevant time may from time to time require by notice to the Borrower.

13.3 Terms of obligatory insurances

The Borrower shall procure that each Owner will effect such insurances:

(a) in Dollars;

(b) in the case of fire and usual marine risks and war risks, on an agreed value basis in approved amounts but not in any event less than to the higher of (i) an amount which when aggregated with the insured amounts for the other Ships which are then subject to a Mortgage is equal to 120 per cent. of the Loan and (ii) the Market Value of that Borrower's Ship;

(c) in the case of oil pollution liability risks, for an aggregate amount equal to the highest level of cover from time to time available under basic protection and indemnity club entry (with the international group of protection and indemnity clubs) and the international marine insurance market (currently $1,000,000,000);

(d) in relation to protection and indemnity risks in respect of the full value and tonnage of the Ship owned by that Owner;

(e) in relation to war risks insurance, extended to cover piracy and terrorism where piracy or, as the case may be, terrorism, are excluded under the fire and usual marine risks insurance;

(f) on approved terms; and

(g) through approved brokers and with approved insurance companies and/or underwriters or, in the case of war risks and protection and indemnity risks, in approved war risks and protection and indemnity risks associations which are members of the International Group of Protection and Indemnity Associations, and have a Standard & Poor's rating of at least BBB or a comparable rating by any other rating agency acceptable to the Facility Agent (acting with the authorisation of the Majority Lenders).

13.4 Further protections for the Creditor Parties

In addition to the terms set out in Clause 13.3, the Borrower shall procure that:

(a) it and any and all third parties who are named assured or co-assured under any obligatory insurance shall assign their interest in any and all obligatory insurances and other Insurances if so required by the Facility Agent;

(b) whenever the Security Trustee requires, the obligatory insurance name (or be amended to name) the Security Trustee as additional named assured for its rights and interests, warranted no operational interest and with full waiver of rights of subrogation against the Security Trustee, but without the Security Trustee thereby being liable to pay (but having the right to pay) premiums, calls or other assessments in respect of such insurance;

(c) the interest of the Security Trustee as assignee and as loss payee shall be duly endorsed on all slips, cover notes, policies, certificates of entry or other instruments of insurance in respect of the obligatory insurances;

(d) the obligatory insurances shall name the Security Trustee as sole loss payee with such directions for payment as the Security Trustee may specify;

(e) the obligatory insurances shall provide that all payments by or on behalf of the insurers under the obligatory insurances to the Security Trustee shall be made without set-off, counterclaim or deductions or condition whatsoever;

(f) the obligatory insurances shall provide that the insurers shall waive, to the fullest extent permitted by English law, their entitlement (if any) (whether by statute, common law, equity, or otherwise) to be subrogated to the rights and remedies of the Security Trustee in respect of any rights or interests (secured or not) held by or available to the Security Trustee in respect of the Secured Liabilities, until the Secured Liabilities shall have been fully repaid and discharged, except that the insurers shall not be restricted by the terms of this paragraph (f) from making personal claims against persons (other than the Owners or any Creditor Party) in circumstances where the insurers have fully discharged their liabilities and obligations under the relevant obligatory insurances;

(g) the obligatory insurances shall provide that such obligatory insurances shall be primary without right of contribution from other insurances which may be carried by the Security Trustee;

(h) the obligatory insurances shall provide that the Security Trustee may make proof of loss if the Owners fail to do so; and

(i) the obligatory insurances shall provide that if any obligatory insurance is cancelled, or if any substantial change is made in the coverage which adversely affects the interest of the Security Trustee, or if any obligatory insurance is allowed to lapse for non-payment of premium, such cancellation, charge or lapse shall not be effective with respect to the Security Trustee for 30 days (or 7 days in the case of war risks) after receipt by the Security Trustee of prior written notice from the insurers of such cancellation, change or lapse.

13.5 Renewal of obligatory insurances

The Borrower shall procure that each Owner shall:

(a) at least 21 days before the expiry of any obligatory insurance:

(i) notify the Security Trustee of the brokers, underwriters, insurance companies and any protection and indemnity or war risks association through or with whom that Owner proposes to renew that insurance and of the proposed terms of renewal; and

(ii) in case of any substantial change in insurance cover, obtain the Majority Lenders' approval to the matters referred to in paragraph (i) above;

(b) at least 14 days before the expiry of any obligatory insurance, renew that obligatory insurance in accordance with the Majority Lenders' approval pursuant to paragraph (a); and

(c) procure that the approved brokers and/or the war risks and protection and indemnity associations with which such a renewal is effected shall promptly after the renewal notify the Security Trustee in writing of the terms and conditions of the renewal.

13.6 Copies of policies; letters of undertaking

The Borrower shall procure that each Owner shall ensure that all approved brokers provide the Security Trustee with copies of all policies relating to the obligatory insurances which they effect or renew and of a letter or letters of undertaking in a form required by the Majority Lenders and including undertakings by the approved brokers that:

(a) they will have endorsed on each policy, immediately upon issue, a loss payable clause and a notice of assignment complying with the provisions of Clause 13.4;

(b) they will hold such policies, and the benefit of such insurances, to the order of the Security Trustee in accordance with the said loss payable clause;

(c) they will advise the Security Trustee immediately of any material change to the terms of the obligatory insurances;

(d) they will notify the Security Trustee, not less than 14 days before the expiry of the obligatory insurances, in the event of their not having received notice of renewal instructions from that Owner or its agents and, in the event of their receiving instructions to renew, they will promptly notify the Security Trustee of the terms of the instructions; and

(e) they will not set off against any sum recoverable in respect of a claim relating to the Ship owned by that Owner under such obligatory insurances any premiums or other amounts due to them or any other person whether in respect of that Ship or otherwise, they waive any lien on the policies or, any sums received under them, which they might have in respect of such premiums or other amounts, and they will not cancel such obligatory insurances by reason of non-payment of such premiums or other amounts, and will arrange for a separate policy to be issued in respect of that Ship forthwith upon being so requested by the Security Trustee.

13.7 Copies of certificates of entry

The Borrower shall procure that each Owner shall ensure that any protection and indemnity and/or war risks associations in which the Ship owned by that Owner is entered provides the Security Trustee with:

(a) a certified copy of the certificate of entry for that Ship; and

(b) a letter or letters of undertaking in the Agreed Form; and

(c) where required to be issued under the terms of insurance/indemnity provided by that Owner’s protection and indemnity association, a certified copy of each United States of America voyage quarterly declaration (or other similar document or documents) made by that Owner in relation to its Ship in accordance with the requirements of such protections and indemnity association; and

(d) a certified copy of each certificate of financial responsibility for pollution by oil or other Environmentally Sensitive Material issued by the relevant certifying authority in relation to that Ship.

13.8 Deposit of original policies

The Borrower shall procure that each Owner shall ensure that all policies relating to obligatory insurances are deposited with the approved brokers through which the insurances are effected or renewed.

13.9 Payment of premiums

The Borrower shall procure that each Owner shall punctually pay all premiums or other sums payable in respect of the obligatory insurances and produce all relevant receipts when so required by the Security Trustee.

13.10 Guarantees

The Borrower shall procure that each Owner shall ensure that any guarantees required by a protection and indemnity or war risks association are promptly issued and remain in full force and effect.

13.11 Restrictions on employment

The Borrower shall procure that no Owner shall employ the Ship owned by it, nor shall permit her to be employed, outside the cover provided by any obligatory insurances.

13.12 Compliance with terms of insurances

The Borrower shall procure that no Owner shall do or omit to do (or permits to be done or not to be done) any act or thing which would or might render any obligatory insurance invalid, void, voidable or unenforceable or render any sum payable thereunder repayable in whole or in part; and in particular:

(a) the Borrower shall procure that each Owner shall take all necessary action and comply with all requirements which may from time to time be applicable to the obligatory insurances, and (without limiting the obligation contained in Clause 13.7(c) above) ensure that the obligatory insurances are not made subject to any exclusions or qualifications to which the Security Trustee has not given its prior approval;

(b) the Borrower shall procure that no Owner shall make any changes relating to the classification or classification society or manager or operator of the Ship owned by it approved by the underwriters of the obligatory insurances;

(c) the Borrower shall procure that each Owner shall make (and promptly supply copies to the Facility Agent (upon its request)) of all quarterly or other voyage declarations which may be required by the protection and indemnity risks association in which the Ship owned by it is entered to maintain cover for trading to the United States of America and Exclusive Economic Zone (as defined in the United States Oil Pollution Act 1990 or any other applicable legislation) and, if applicable, shall procure that the Approved Manager complies with this requirement; and

(d) the Borrower shall procure that no Owner shall employ the Ship owned by it, nor shall allow it to be employed, otherwise than in conformity with the terms and conditions of the obligatory insurances, without first obtaining the consent of the insurers and complying with any requirements (as to extra premium or otherwise) which the insurers specify.

13.13 Alteration to terms of insurances

The Borrower shall procure that no Owner shall either make or agree to any alteration to the terms of any obligatory insurance or waive any right relating to any obligatory insurance without the prior written consent of the Security Trustee.

13.14 Settlement of claims

The Borrower shall procure that no Owner shall settle, compromise or abandon any claim under any obligatory insurance for Total Loss or for a Major Casualty, and shall procure that the relevant Owner shall do all things necessary and provide all documents, evidence and information to enable the Security Trustee to collect or recover any moneys which at any time become payable in respect of the obligatory insurances.

13.15 Provision of copies of communications

The Borrower shall procure that each Owner shall provide the Security Trustee, at the time of each such communication, copies of all written communications between that Owner and:

(a) the approved brokers; and

(b) the approved protection and indemnity and/or war risks associations; and

(c) the approved insurance companies and/or underwriters, which relate directly or indirectly to:

(i) that Owner's obligations relating to the obligatory insurances including, without limitation, all requisite declarations and payments of additional premiums or calls; and

(ii) any credit arrangements made between that Owner and any of the persons referred to in paragraphs (a) or (b) above relating wholly or partly to the effecting or maintenance of the obligatory insurances.

13.16 Provision of information and further undertakings

In addition, the Borrower shall procure that each Owner shall promptly provide the Security Trustee (or any persons which it may designate) with any information which the Security Trustee (or any such designated person) requests for the purpose of:

(a) obtaining or preparing any report from an independent marine insurance broker as to the adequacy of the obligatory insurances effected or proposed to be effected; and/or

(b) effecting, maintaining or renewing any such insurances as are referred to in Clause 13.17 below or dealing with or considering any matters relating to any such insurances,

and shall procure that each Owner shall:

(c) do all things necessary and provide the Facility Agent and the Security Trustee with all documents and information to enable the Security Trustee to collect or recover any moneys in respect of the Insurances which are payable to the Security Trustee pursuant to the Finance Documents; and

(d) promptly provide the Facility Agent with full information regarding any Major Casualty or in consequence whereof the Ship owned by that Owner has become or may become a Total Loss and agree to any settlement of such casualty or other accident or damage to that Ship only with the Facility Agent's prior written consent,

and the Borrower shall procure that each Owner and the Borrower shall, forthwith upon demand, indemnify the Security Trustee in respect of all reasonable fees and other expenses incurred by or for the account of the Security Trustee in connection with any such report as is referred to in paragraph (a) above.

13.17 Mortgagee's interest, additional perils

The Security Trustee shall be entitled from time to time to effect, maintain and renew all or any of the following insurances in an amount equal to 120 per cent. of the Loan in the case of the mortgagee's interest marine insurance referred to in paragraph (a) below and in an amount equal to 110 per cent. of the Loan and in the case of the mortgagee's interest additional perils insurance referred to in paragraph (b) below, on such terms, through such insurers and generally in such manner as the Majority Lenders may from time to time consider appropriate:

(a) a mortgagee's interest marine insurance in relation to each Ship in such amount as the Security Trustee may consider appropriate, providing for the indemnification of the Security Trustee for any losses under or in connection with any Finance Document which directly or indirectly result from loss of or damage to any Ship or a liability of any Ship or of any Owner, being a loss or damage which is prima facie covered by an obligatory insurance but in respect of which there is a non-payment (or reduced payment) by the underwriters by reason of, or on the basis of an allegation concerning:

(i) any act or omission on the part of an Owner, of any operator, charterer, manager or sub-manager of the Ship owned by it or of any officer, employee or agent of that Owner or of any such person, including any breach of warranty or condition or any non-disclosure relating to such obligatory insurance;

(ii) any act or omission, whether deliberate, negligent or accidental, or any knowledge or privity of an Owner, any other person referred to in paragraph (i) above, or of any officer, employee or agent of that Owner or of such a person, including the casting away or damaging of the Ship owned by it and/or the Ship owned by it being unseaworthy; and/or

(iii) any other matter capable of being insured against under a mortgagee's interest marine insurance whether or not similar to the foregoing;

(b) a mortgagee's interest additional perils insurance in relation to each Ship in such amount as the Security Trustee may consider appropriate, providing for the indemnification of the Security Trustee against, among other things, any possible losses or other consequences of any Environmental Claim, including the risk of expropriation, arrest or any form of detention of a Ship, the imposition of any Security Interest over a Ship and/or any other matter capable of being insured against under a mortgagee's interest additional perils insurance whether or not similar to the foregoing,

and the Borrower shall upon demand fully indemnify the Security Trustee in respect of all premiums and other expenses which are incurred in connection with or with a view to effecting, maintaining or renewing any such insurance or dealing with, or considering, any matter arising out of any such insurance.

13.18 Review of insurance requirements

The Majority Lenders shall be entitled to review the requirements of this Clause 13 from time to time in order to take account of any changes in circumstances after the date of this Agreement which are, in the opinion of the Majority Lenders, significant and capable of affecting the Borrower or any Ship and its or their insurance (including, without limitation, changes in the availability or the cost of insurance coverage or the risks to which the Owners may be subject), and may appoint insurance consultants in relation to this review at the cost of the Borrower and the Borrower shall upon demand fully indemnify the Facility Agent in respect of all fees and other expenses incurred by or for the account of the Facility Agent in appointing an independent marine insurance broker or adviser to conduct such review.

13.19 Modification of insurance requirements

The Security Trustee shall notify the Borrower of any proposed modification under Clause 13.18 to the requirements of this Clause 13 which the Majority Lenders reasonably consider appropriate in the circumstances, and such modification shall take effect on and from the date it is notified in writing to the Borrower as an amendment to this Clause 13 and shall bind the Borrower accordingly.

13.20 Compliance with mortgagee's instructions

The Security Trustee shall be entitled (without prejudice to or limitation of any other rights which it may have or acquire under any Finance Document) to require a Ship to remain at any safe port or to proceed to and remain at any safe port designated by the Security Trustee until the relevant Owner implements any amendments to the terms of the obligatory insurances and any operational changes required as a result of a notice served under Clause 13.19.

14 SHIP COVENANTS

14.1 General

The Borrower also undertakes with each Creditor Party to procure that each Owner complies with the following provisions of this Clause 14 at all times during the Security Period (after the Ship has been delivered to it under the Shipbuilding Contract) except as the Facility Agent, with the authorisation of the Majority Lenders, may otherwise permit (in the case of the Clauses 14.2, 14.3(b) and 14.13(e), such permission not to be unreasonably withheld).

14.2 Ship's name and registration

The Borrower shall procure that each Owner shall keep the Ship owned by it registered in its name under the relevant Approved Flag; shall not do, omit to do or allow to be done anything as a result of which such registration might be cancelled or imperilled; and shall not change the name or port of registry of that Ship.

14.3 Repair and classification

The Borrower shall procure that each Owner shall keep the Ship owned by it in a good and safe condition and state of repair, sea and cargo worthy in all respects:

(a) consistent with first-class ship ownership and management practice;

(b) so as to maintain the highest class with an Approved Classification Society acceptable to the Majority Lenders free of overdue recommendations and conditions and, upon the Security Trustee's request, the Approved Classification Society shall provide the Security Trustee with any information and documentation required in respect of the Ship as the same is maintained in the records of the Approved Classification Society; and

(c) so as to comply with all laws and regulations applicable to vessels registered at ports in the relevant Approved Flag State or to vessels trading to any jurisdiction to which that Ship may trade from time to time, including but not limited to the ISM Code, the ISM Code Documentation and the ISPS Code,

and the Facility Agent shall be given power of attorney in the form attached as Schedule 7 to act on behalf of that Owner in order to, inspect the class records and any files held by the classification society and to require the classification society to provide the Facility Agent or any of its nominees with any information, document or file, it might reasonably request and the classification society shall be fully entitled to rely hereon without any further inquiry.

14.4 Classification society undertaking

The Borrower shall procure that each Owner instructs the classification society referred to in Clause 14.3 (and procure that the classification society undertakes with the Security Trustee) in relation to the Ship owned by it:

(a) to send to the Security Trustee, following receipt of a written request from the Security Trustee, certified true copies of all original class records and any other related records held by the classification society in relation to that Ship;

(b) to allow the Security Trustee (or its agents), at any time and from time to time, to inspect the original class and related records of that Ship at the offices of the classification society and to take copies of them;

(c) to notify the Security Trustee immediately in writing if the classification society:

(i) receives notification from that Owner or any person that that Ship's classification society is to be changed;

(ii) becomes aware of any facts or matters which may result in or have resulted in a change, suspension, discontinuance, withdrawal or expiry of that Ship's class under the rules or terms and conditions of that Borrower's or that Ship's membership of the classification society;

(d) following receipt of a written request from the Security Trustee:

(i) to confirm that that Owner is not in default of any of its contractual obligations or liabilities to the classification society and, without limiting the foregoing, that it has paid in full all fees or other charges due and payable to the classification society; or

(ii) if that Owner is in default of any of its contractual obligations or liabilities to the classification society, to specify to the Security Trustee in reasonable detail the facts and circumstances of such default, the consequences thereof, and any remedy period agreed or allowed by the classification society.

14.5 Modification

The Borrower shall procure that no Owner shall make any modification or repairs to, or replacement of, any Ship or equipment installed on her which would or might materially alter the structure, type or performance characteristics of that Ship or materially reduce her value.

14.6 Removal of parts

The Borrower shall procure that no Owner shall remove any material part of any Ship, or any item of equipment installed on, any Ship unless the part or item so removed is forthwith replaced by a suitable part or item which is in the same condition as or better condition than the part or item removed, is free from any Security Interest or any right in favour of any person other than the Security Trustee and becomes on installation on the relevant Ship the property of the relevant Owner and subject to the security constituted by the Mortgage and the Deed of Covenant **Provided that** an Owner may install equipment owned by a third party if the equipment can be removed without any risk of damage to the Ship owned by it.

14.7 Surveys

The Borrower shall procure that each Owner shall submit the Ship owned by it regularly to all periodical or other surveys which may be required for classification purposes and, if so required by the Majority Lenders provide the Security Trustee, with copies of all survey reports.

14.8 Technical Survey

Without prejudice to the Owners' obligations pursuant to Clause 14.6, if the survey report to be delivered as a condition to the drawdown of the Advance which shall be used to (inter

alia) finance or refinance a Ship (as referred to in the applicable paragraph of Schedule 3) is not satisfactory to the Facility Agent (acting reasonably), the Borrower shall procure that the relevant Owner shall promptly following the request of the Facility Agent (to be made within 6 months of the Drawdown Date relative to the Advance which was used (inter alia) to finance or refinance such Ship) submit; the Ship owned by it for a technical survey by an independent surveyor or surveyors appointed by the Facility Agent. All fees and expenses incurred in relation to the appointment of the surveyor or surveyors and the preparation and issue of all technical reports pursuant to this Clause 14.7 shall be for the account of the Borrower.

14.9 Inspection

The Borrower shall procure that each Owner shall permit the Security Trustee (by surveyors or other persons appointed by it for that purpose) to board the Ship owned by it at all reasonable times to inspect her condition or to satisfy themselves about proposed or executed repairs and shall afford all proper facilities for such inspections **Provided that** so long as a Ship is found to be in a satisfactory condition to the Facility Agent (acting reasonably) and no continuing Event of Default or Potential Event of Default shall be in existence, the Borrower or the relevant Owner, as the case may be, shall not be obliged to pay the fees and expenses incurred in connection with the inspection of the relevant Ship more than once in any twelve-month period.

14.10 Prevention of and release from arrest

The Borrower shall procure that each Owner shall promptly discharge:

(a) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against the Ship owned by it, the Earnings or the Insurances;

(b) all taxes, dues and other amounts charged in respect of the Ship owned by it, the Earnings or the Insurances; and

(c) all other outgoings whatsoever in respect of the Ship owned by it, the Earnings or the Insurances,

and, forthwith upon receiving notice of the arrest of the Ship owned by it, or of her detention in exercise or purported exercise of any lien or claim, the Borrower shall procure her release by providing bail or otherwise as the circumstances may require.

14.11 Compliance with laws etc.

The Borrower shall procure that each Owner shall:

(a) comply, or procure compliance with the ISM Code, all Environmental Laws, and all other laws or regulations relating to the Ship owned by it, its ownership, operation and management or to the business of that Owner;

(b) not employ the Ship owned by it nor allow her employment in any manner contrary to any law or regulation in any relevant jurisdiction including, but not limited, to the ISM Code and the ISPS Code; and

(c) in the event of hostilities in any part of the world (whether war is declared or not), not cause or permit the Ship owned by it to enter or trade to any zone which is declared a war zone by any government or by the Ship's war risks insurers unless the prior written consent of the Majority Lenders has been given and that Owner has (at its expense) effected any special, additional or modified insurance cover which the Majority Lenders may require.

14.12 Provision of information

The Borrower shall procure that each Owner shall promptly provide the Security Trustee with any information which the Majority Lenders request regarding:

(a) the Ship owned by it, her employment, position and engagements;

(b) the Earnings and payments and amounts due to the master and crew of the Ship owned by it;

(c) any expenses incurred, or likely to be incurred, in connection with the operation, maintenance or repair of the Ship owned by it and any payments made in respect of that Ship;

(d) any towages and salvages; and

(e) its compliance, and the compliance of the Ship owned by it with the ISM Code and the ISPS Code,

and, upon the Security Trustee's request, provide copies of any current charter relating to the Ship owned by it and of any current charter guarantee, and copies of the ISM Code Documentation and the ISCC.

14.13 Notification of certain events

The Borrower shall procure that each Owner shall immediately notify the Security Trustee by letter of:

(a) any casualty which is or is likely to be or to become a Major Casualty;

(b) any occurrence as a result of which the Ship owned by it has become or is, by the passing of time or otherwise, likely to become a Total Loss;

(c) any requirement, overdue condition or recommendation made by any insurer or classification society or by any competent authority which is not immediately complied with;

(d) any arrest or detention of the Ship owned by it, any exercise or purported exercise of any lien on that Ship or her Earnings or any requisition of that Ship for hire,

(e) any intended dry docking of the Ship owned by it where the cost of the dry docking will, or is likely to, exceed $500,000 (or the equivalent in any other currency) in aggregate;

(f) any Environmental Claim made against that Owner or in connection with the Ship owned by it, or any Environmental Incident;

(g) any claim for breach of the ISM Code or the ISPS Code being made against that Owner, the Approved Manager or otherwise in connection with the Ship owned by it; or

(h) any other matter, event or incident, actual or threatened, the effect of which will or could lead to the ISM Code or the ISPS Code not being complied with,

and that Owner shall keep the Security Trustee advised in writing on a regular basis and in such detail as the Security Trustee shall require of that Owner's, the Approved Manager's or any other person's response to any of those events or matters.

14.14 Restrictions on, appointment of managers etc.

The Borrower shall procure that no Owner shall:

(a) enter into any time charter in relation to the Ship owned by it under which more than 2 months' hire (or the equivalent) is payable in advance;

(b) charter the Ship owned by it otherwise than on bona fide arm's length terms at the time when the Ship is fixed;

(c) appoint a manager of the Ship owned by it other than the Approved Manager;

(d) de-activate or lay up the Ship owned by it; or

(e) put the Ship owned by it into the possession of any person for the purpose of work being done upon her in an amount exceeding or likely to exceed $750,000 (or the equivalent in any other currency) unless that person has first given to the Security Trustee and in terms satisfactory to it a written undertaking not to exercise any lien on that Ship or her Earnings for the cost of such work or otherwise.

14.15 Notice of Mortgage

The Borrower shall procure that each Owner shall keep the Mortgage registered against the Ship owned by it as a valid first priority or, as the case may be, preferred mortgage, carry on board that Ship a certified copy of the relevant Mortgage and place and maintain in a conspicuous place in the navigation room and the Master's cabin of that Ship a framed printed notice stating that that Ship is mortgaged by that Owner to the Security Trustee.

14.16 Sharing of Earnings

The Borrower shall procure that no Owner shall:

(a) enter into any agreement or arrangement for the sharing of any Earnings;

(b) enter into any agreement or arrangement for the postponement of any date on which any Earnings are due; the reduction of the amount of any Earnings or otherwise for the release or adverse alteration of any right of that Owner to any Earnings; or

(c) enter into any agreement or arrangement for the release of, or adverse alteration to, any guarantee or Security Interest relating to any Earnings.

14.17 ISPS Code

The Borrower shall procure that each Owner shall comply with the ISPS Code and in particular, without limitation, shall:

(a) procure that the Ship owned by that Owner and the company responsible for that Ship's compliance with the ISPS Code comply with the ISPS Code; and

(b) maintain for that Ship an ISSC; and

(c) notify the Facility Agent immediately in writing of any actual or threatened withdrawal, suspension, cancellation or modification of the ISSC.

14.18 Time Charter Assignment

If any Owner enters into any Charterparty in respect of its Ship, the Borrower shall procure that the relevant Owner shall, at the request of the Facility Agent, execute in favour of the Security Trustee a Charterparty Assignment (other than in the case of an Existing Charter the assignment of which is contemplated pursuant to the Charterparty Assignment relative thereto to be delivered pursuant to paragraph 2 of Part B, Schedule 3) or, in the case of a bareboat charter, a Bareboat Charter Security Agreement, and shall deliver to the Facility Agent such other documents equivalent to those referred to at paragraphs 3, 4, 5 and 7 of Part A of Schedule 3 hereof as the Facility Agent may require.

15 SECURITY COVER

15.1 Minimum required security cover

Clause 15.2 applies if the Facility Agent notifies the Borrower that:

(a) the aggregate Market Value of the Ships subject to a Mortgage; plus

(b) the net realisable value of any additional security previously provided under this Clause 15,

is below 125 per cent. of the Loan.

15.2 Provision of additional security; prepayment

If the Facility Agent serves a notice on the Borrower under Clause 15.1, the Borrower shall prepay such part (at least) of the outstanding amount of the Loan as will eliminate the shortfall on or before the date falling 1 month after the date on which the Facility Agent's notice is served under Clause 15.1 (the "**Prepayment Date**") unless at least 1 Business Day before the Prepayment Date it has provided, or ensured that a third party has provided, additional security which, in the opinion of the Majority Lenders, has a net realisable value at least equal to the shortfall and is documented in such terms as the Facility Agent may, with authorisation from the Majority Lenders, approve or require

15.3 Requirement for additional documents

The Borrower shall not be deemed to have complied with Clause 15.2 above until the Facility Agent has received in connection with the additional security certified copies of documents of the kinds referred to in paragraphs 3, 4 and 5 of Schedule 3, Part A and such legal opinions in terms acceptable to the Majority Lenders from such lawyers as they may select.

15.4 Valuation of Ships

The market value of a Ship at any date is that shown by the arithmetic average of two valuations each prepared:

(a) as at a date not more than 14 days previously and, for the purposes of Clause 12.6 and 15.9, each Compliance Date;

(b) by an Approved Broker nominated and appointed by the Borrower;

(c) with or without physical inspection of the relevant Ship (as the Facility Agent may require);

(d) on the basis of a sale for prompt delivery for cash on normal arm's length commercial terms as between a willing seller and a willing buyer, free of any existing charter or other contract of employment; and

(e) after deducting the estimated amount of the usual and reasonable expenses which would be incurred in connection with the sale,

Provided that if the difference between the 2 valuations obtained at any one time pursuant to this Clause 15.4 is greater than 15 per cent. a valuation shall be commissioned from a third Approved Broker appointed by the Facility Agent. Such valuation shall be conducted in accordance with this Clause 15.4 and the Market Value of the Ship in such circumstances shall be the average of the initial 2 valuations and the valuation provided by the third Approved Broker.

In this clause 15.4 "**Compliance Date**" means 31 March, 30 June, 30 September and 31 December in each financial year of the Borrower.

15.5 Value of additional security

The net realisable value of any additional security which is provided under Clause 15.2 and which consists of a Security Interest over a vessel shall be that shown by a valuation complying with the requirements of Clause 15.4.

15.6 Valuations binding

Any valuation under Clause 15.2, 15.4 or 15.5 shall be binding and conclusive as regards the Borrower, as shall be any valuation which the Majority Lenders make of a security which does not consist of or include a Security Interest.

15.7 Provision of information

The Borrower shall promptly provide the Facility Agent and any Approved Broker or expert acting under Clause 15.4 or 15.5 with any information which the Facility Agent or the Approved Broker or expert may request for the purposes of the valuation; and, if the Borrower fails to provide the information by the date specified in the request, the valuation may be made on any basis and assumptions which the Approved Broker or the Majority Lenders (or the expert appointed by them) consider prudent **Provided that** so long as no Event of Default has occurred, the Borrower shall not be obliged to pay for more than one set of valuations of each Ship during each calendar year.

15.8 Payment of valuation expenses

Without prejudice to the generality of the Borrower's obligations under Clauses 20.2, 20.3 and 21.3, the Borrower shall, on demand, pay the Facility Agent the amount of the reasonable fees and expenses of any Approved Broker or expert instructed by the Facility Agent under this Clause and all reasonable legal and other expenses incurred by any Creditor Party in connection with any matter arising out of this Clause.

15.9 Frequency of valuations

The Borrower shall provide the Facility Agent with valuations of the Ships at such times as the Majority Lenders shall reasonably deem necessary and, in any event, on the dates on which the Borrower provides a Compliance Certificate in accordance with Clause 12.5.

16 PAYMENTS AND CALCULATIONS

16.1 Currency and method of payments

All payments to be made:

(a) by the Lenders to the Facility Agent; or

(b) by the Borrower to the Facility Agent, the Security Trustee or any Lender,

under a Finance Document shall be made to the Facility Agent or to the Security Trustee, in the case of an amount payable to it:

(i) by not later than 11.00 a.m. (New York City time) on the due date;

(ii) in same day Dollar funds settled through the New York Clearing House Interbank Payments System (or in such other Dollar funds and/or settled in such other manner as the Facility Agent shall specify as being customary at the time for the settlement of international transactions of the type contemplated by this Agreement);

(iii) in the case of an amount payable by a Lender to the Facility Agent or by the Borrower to the Facility Agent or any Lender, to the account of the Facility Agent at JP Morgan Chase Bank, New York, N.Y., USA (SWIFT Code: CHAS US33; Account No. 001-1-938123) with reference "Capital Product Partners L.P. – US$225m facility, or to such other account with such other bank as the Facility Agent may from time to time notify to the Borrower and the other Creditor Parties; and

(iv) in the case of an amount payable to the Security Trustee, to such account as it may from time to time notify to the Borrower and the other Creditor Parties.

16.2 Payment on non-Business Day

If any payment by the Borrower under a Finance Document would otherwise fall due on a day which is not a Business Day:

(a) the due date shall be extended to the next succeeding Business Day; or

(b) if the next succeeding Business Day falls in the next calendar month, the due date shall be brought forward to the immediately preceding Business Day,

and interest shall be payable during any extension under paragraph (a) at the rate payable on the original due date.

16.3 Basis for calculation of periodic payments

All interest and commitment fee and any other payments under any Finance Document which are of an annual or periodic nature shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 360 day year.

16.4 Distribution of payments to Creditor Parties

Subject to Clauses 16.5, 16.6 and 16.7:

(a) any amount received by the Facility Agent under a Finance Document for distribution or remittance to a Lender, the Swap Bank or the Security Trustee shall be made available by the Facility Agent to that Lender, the Swap Bank or, as the case may be or the Security Trustee by payment, with funds having the same value as the funds received, to such account as the Lender, the Swap Bank or the Security Trustee may have notified to the Facility Agent not less than 5 Business Days previously; and

(b) amounts to be applied in satisfying amounts of a particular category which are due to the Lenders and/or the Swap Bank generally shall be distributed by the Facility Agent to each Lender and the Swap Bank pro rata to the amount in that category which is due to it.

16.5 Permitted deductions by Facility Agent

Notwithstanding any other provision of this Agreement or any other Finance Document, the Facility Agent may, before making an amount available to a Lender or the Swap Bank, deduct and withhold from that amount (i) any sum which is then due and payable to the Facility Agent from that Lender or the Swap Bank under any Finance Document or any sum which the Facility Agent is then entitled under any Finance Document to require that Lender or the Swap Bank to pay on demand and (ii) any amount the Facility Agent determines is required to be deducted and withheld under FATCA.

16.6 Facility Agent only obliged to pay when monies received

Notwithstanding any other provision of this Agreement or any other Finance Document, the Facility Agent shall not be obliged to make available to the Borrower or any Lender or the Swap Bank any sum which the Facility Agent is expecting to receive for remittance or distribution to the Borrower or that Lender or the Swap Bank until the Facility Agent has satisfied itself that it has received that sum.

16.7 Refund to Facility Agent of monies not received

If and to the extent that the Facility Agent makes available a sum to the Borrower or a Lender or the Swap Bank, without first having received that sum, the Borrower or (as the case may be) the Lender or the Swap Bank concerned shall, on demand:

(a) refund the sum in full to the Facility Agent; and

(b) pay to the Facility Agent the amount (as certified by the Facility Agent) which will indemnify the Facility Agent against any funding or other loss, liability or expense incurred by the Facility Agent as a result of making the sum available before receiving it.

16.8 Facility Agent may assume receipt

Clause 16.7 shall not affect any claim which the Facility Agent has under the law of restitution, and applies irrespective of whether the Facility Agent had any form of notice that it had not received the sum which it made available.

16.9 Creditor Party accounts

Each Creditor Party shall maintain accounts showing the amounts owing to it by the Borrower and each Security Party under the Finance Documents and all payments in respect of those amounts made by the Borrower and any Security Party.

16.10 Facility Agent's memorandum account

The Facility Agent shall maintain a memorandum account showing the amounts advanced by the Lenders and all other sums owing to the Facility Agent and the Security Trustee and each Lender from the Borrower and each Security Party under the Finance Documents and all payments in respect of those amounts made by the Borrower and any Security Party.

16.11 Accounts prima facie evidence

If any accounts maintained under Clauses 16.9 and 16.10 show an amount to be owing by the Borrower or a Security Party to a Creditor Party, those accounts shall, absent manifest error, be prima facie evidence that that amount is owing to that Creditor Party.

17 APPLICATION OF RECEIPTS

17.1 Normal order of application

Except as any Finance Document may otherwise provide, any sums which are received or recovered by any Creditor Party under or by virtue of any Finance Document shall be applied:

(a) FIRST: in or towards satisfaction of any amounts then due and payable under the Finance Documents (other than under the Master Agreement) in the following order and proportions:

(i) first, in or towards satisfaction pro rata of all amounts then due and payable to the Creditor Parties under the Finance Documents (other than the Master Agreement) other than those amounts referred to at paragraphs (ii) and (iii) (including, but

without limitation, all amounts payable by the Borrower under Clauses 20, 21 and 22 of this Agreement or by the Borrower or any Security Party under any corresponding or similar provision in any other Finance Document (other than the Master Agreement));

(ii) secondly, in or towards satisfaction pro rata of any and all amounts of interest or default interest payable to the Creditor Parties under the Finance Documents (other than under the Master Agreement); and

(iii) thirdly, in or towards satisfaction of the Loan;

(b) SECONDLY: in or towards satisfaction of any amounts then due and payable under the Master Agreement in the following order and proportions:

(i) first, in or towards satisfaction pro rata of all amounts then due and payable to the Swap Bank under the Master Agreement other than those amounts referred to at paragraphs (ii) and (iii);

(ii) secondly, in or towards satisfaction pro rata of any and all amounts of interest or default interest payable to the Swap Bank under the Master Agreement (and, for this purpose, the expression "interest" shall include any net amount which the Borrower shall have become liable to pay or deliver under section 2(e) (Obligations) of the Master Agreement but shall have failed to pay or deliver to the Swap Bank at the time of application or distribution under this Clause 17); and

(iii) thirdly, in or towards satisfaction of the Swap Exposure of the Swap Bank calculated as at the actual Early Termination Date applying to each particular Designated Transaction, or if no such Early Termination Date shall have occurred, calculated as if an Early Termination Date occurred on the date of application or distribution hereunder);

(c) THIRDLY: in retention of an amount equal to any amount not then due and payable under any Finance Document (other than the Master Agreement) but which the Facility Agent, by notice to the Borrower, the Security Parties and the other Creditor Parties, states in its opinion will or may become due and payable in the future and, upon those amounts becoming due and payable, in or towards satisfaction of them in accordance with the foregoing provisions of this Clause;

(d) FOURTHLY: in retention of an amount equal to any amount not then due under and payable under the Master Agreement but which the Swap Bank, by notice to the Borrower, the Security Parties and the other Creditor Parties, states in its opinion will or may become due and payable in the future and, upon those amounts becoming due and payable, in or towards satisfaction of them in accordance with the foregoing provisions of this Clause; and

(e) FIFTHLY: any surplus shall be paid to the Borrower or to any other person appearing to be entitled to it.

17.2 Variation of order of application

The Facility Agent may, with the authorisation of the Majority Lenders, by notice to the Borrower, the Security Parties and the other Creditor Parties provide for a different manner of application from that set out in Clause 17.1 either as regards a specified sum or sums or as regards sums in a specified category or categories.

17.3 Notice of variation of order of application

The Facility Agent may give notices under Clause 17.2 from time to time; and such a notice may be stated to apply not only to sums which may be received or recovered in the future, but also to any sum which has been received or recovered on or after the third Business Day before the date on which the notice is served.

17.4 Appropriation rights overridden

This Clause 17 and any notice which the Facility Agent gives under Clause 17.2 shall override any right of appropriation possessed, and any appropriation made, by the Borrower or any Security Party.

18 APPLICATION OF EARNINGS

18.1 Payment of Earnings

The Borrower undertakes with each Creditor Party to ensure that, throughout the Security Period (subject only to the provisions of the General Assignments), all the Earnings of each Ship are paid to the Earnings Account for that Ship and ail payments by the Swap Bank to the Borrower under a Designated Transaction are paid to the Swap Account. Any monies standing to the credit of the Earnings Accounts shall be freely available to the Owners subject to there not being any Event of Default or Potential Event of Default in existence at the relevant time.

18.2 Debt Service Reserve Account

If at any time:

(a) a Ship is not subject to a Charterparty and a replacement Charterparty is not in place within 180 days therefrom (the "**Approved Period**"); or

(b) a Charterparty relative to a Ship is terminated (other than by effluxion of time) and a replacement Charterparty is not in place within the Approved Period,

the Borrower shall maintain (either by transferring sums from the balance of the Earnings Accounts (or any of them) or otherwise) to the credit of the Debt Service Reserve Account, the Twelve Months' Debt Service relative to the Advance which has been used to finance that Ship (the "**Affected Ship**") for the 12-month period following that date, and in the event that the Twelve Months' Debt Service in respect of that Advance for that period differs from the Twelve Months' Debt Service in respect of the Advance of the Affected Ship for the immediately preceding 12-month period an adjustment will be made (whether upwards or downwards) to the balance on the Debt Service Reserve Account. If a replacement Charterparty is effected after the last day of the Approved Period, the credit balance of the Debt Service Reserve Account shall become freely available to the Borrower.

If the Borrower fails to pay when due any sum representing principal on, or interest in respect of, the Loan (or any part thereof) pursuant to this Agreement, the Facility Agent shall be entitled (acting upon the instructions of all the Lenders) to apply any balance on the Debt Service Reserve Account towards payment of any such unpaid amount and the Borrower hereby irrevocably authorises the Facility Agent to make such application. If any of the monies on the Debt Service Reserve Account are applied in the manner aforesaid, the Borrower shall ensure that promptly following such application monies are transferred to the Debt Service Reserve Account so that the balance thereon is at least equal to the balance which the Borrower is required to maintain pursuant to this Clause 18.2.

18.3 Interest accrued on Debt Service Reserve Account

Any credit balance on the Debt Service Reserve Account shall bear interest at the rate from time to time offered by the Facility Agent to its customers for Dollar deposits of similar amounts and for periods similar to those for which such balances appear to the Facility Agent likely to remain on that Account.

18.4 Release of accrued interest

Interest accruing on each Account under Clause 18.3 shall be released to the Borrower on each Repayment Date unless an Event of Default or a Potential Event of Default has occurred or the then credit balance thereon is less than what would have been the balance had the full amount required by Clause 18.2 been debited to that Account.

18.5 Location of accounts

The Borrower shall promptly:

(a) comply with any requirement of the Facility Agent as to the location or re-location of the Accounts (or any of them); and

(b) execute any documents which the Facility Agent specifies to create or maintain in favour of the Security Trustee a Security Interest over (and/or rights of set-off, consolidation or other rights in relation to) the Accounts (or any of them).

18.6 Debits for expenses etc.

The Facility Agent shall be entitled (but not obliged) from time to time to debit the Earnings Account, with no later than 10 Business Days prior notice to the Borrower, in order to discharge any amount due and payable under Clause 19.11, 20.1 or 21 to a Creditor Party or payment of which any Creditor Party has become entitled to demand under these Clauses.

19 EVENT OF DEFAULT

19.1 Events of Default

An Event of Default occurs if:

(a) the Borrower or any Security Party fails to pay when due or (if so payable) on demand any sum payable under a Finance Document or under any document relating to a Finance Document; or

(b) any breach occurs of Clause 9.2, 11.2, 11.3, 12.2, 12.3, 12.5, 13.2, 13.3, 15.2, 18.1 or 18.2; or

(c) any breach by the Borrower or any Security Party occurs of any provision of a Finance Document (other than a breach covered by paragraphs (a) or (b) above) if, in the reasonable opinion of the Majority Lenders, such default is capable of remedy, and such default continues unremedied 14 days after written notice from the Facility Agent requesting action to remedy the same; or

(d) (subject to any applicable grace period specified in the Finance Document) any breach by the Borrower or any Security Party occurs of any provision of a Finance Document (other than a breach covered by paragraphs (a), (b) or (c) above); or

(e) any representation, warranty or statement made or repeated by, or by an officer of, the Borrower or a Security Party in a Finance Document or in a Drawdown Notice or any other notice or document relating to a Finance Document is untrue or misleading when it is made or repeated; or

(f) any of the following occurs in relation to any Financial Indebtedness of a Relevant Person (in the case of the Borrower, in an amount exceeding, in aggregate, $5,000,000 or the equivalent in any other currency), in aggregate:

(i) any Financial Indebtedness of a Relevant Person is not paid when due or, if so payable, on demand; or

(ii) any Financial Indebtedness of a Relevant Person becomes due and payable or capable of being declared due and payable prior to its stated maturity date as a consequence of any event of default; or

(iii) a lease, hire purchase agreement or charter creating any Financial Indebtedness of a Relevant Person is terminated by the lessor or owner or becomes capable of being terminated as a consequence of any termination event; or

(iv) any overdraft, loan, note issuance, acceptance credit, letter of credit, guarantee, foreign exchange or other facility, or any swap or other derivative contract or transaction, relating to any Financial Indebtedness of a Relevant Person ceases to be available or becomes capable of being terminated as a result of any event of default, or cash cover is required, or becomes capable of being required, in respect of such a facility as a result of any event of default; or

(v) any Security Interest securing any Financial Indebtedness of a Relevant Person becomes enforceable; or

(g) any of the following occurs in relation to a Relevant Person:

(i) a Relevant Person becomes, in the reasonable opinion of the Majority Lenders, unable to pay its debts as they fall due; or

(ii) any assets of a Relevant Person are subject to any form of execution, attachment, arrest, sequestration or distress in respect of a sum of, or sums (in the case of the Borrower, in respect of an amount exceeding, $5,000,000 or the equivalent in another currency unless such execution, attachment, arrest, sequestration or distress is dismissed, withdrawn, released or lifted within 15 Business Days of the occurrence of such event; or

(iii) any administrative or other receiver is appointed over any asset of a Relevant Person; or

(iv) an administrator is appointed (whether by the court or otherwise) in respect of a Relevant Person; or

(v) any formal declaration of bankruptcy or any formal statement to the effect that a Relevant Person is insolvent or likely to become insolvent is made by a Relevant Person or by the directors of a Relevant Person or, in any proceedings, by a lawyer acting for a Relevant Person; or

(vi) a provisional liquidator is appointed in respect of a Relevant Person, a winding up order is made in relation to a Relevant Person or a winding up resolution is passed by a Relevant Person; or

(vii) a resolution is passed, an administration notice is given or filed, an application or petition to a court is made or presented or any other step is taken by (aa) a Relevant Person, (bb) the members or directors of a Relevant Person, (cc) a holder of Security Interests which together relate to all or substantially all of the assets of a Relevant Person, or (dd) a government minister or public or regulatory authority of a Pertinent Jurisdiction for or with a view to the winding up of that or another Relevant Person or the appointment of a provisional liquidator or administrator in respect of that or another Relevant Person, or that or another Relevant Person ceasing or suspending business operations or payments to creditors, save that this paragraph does not apply to a fully solvent winding up of a Relevant Person other than the Borrower or any Owner which is, or is to be, effected for the purposes of an amalgamation or reconstruction previously approved by the Majority Lenders and effected not later than 3 months after the commencement of the winding up; or

(viii) an administration notice is given or filed, an application or petition to a court is made or presented or any other step is taken by a creditor of a Relevant Person (other than a holder of Security Interests which together relate to all or substantially all of the assets of a Relevant Person) for the winding up of a Relevant Person or the appointment of a provisional liquidator or administrator in respect of a Relevant Person in any Pertinent Jurisdiction, unless the proposed winding up, appointment of a provisional liquidator or administration is being contested in good faith, on substantial grounds and not with a view to some other insolvency law procedure being implemented instead and either (aa) the application or petition is dismissed or withdrawn within 30 days of being made or presented, or (bb) within 30 days of the administration notice being given or filed, or the other relevant steps being taken, other action is taken which will ensure that there will be no administration and (in both cases (aa) or (bb)) the Relevant Person will continue to carry on business in the ordinary way and without being the subject of any actual, interim or pending insolvency law procedure; or

(ix) a Relevant Person or its directors take any steps (whether by making or presenting an application or petition to a court, or submitting or presenting a document setting out a proposal or proposed terms, or otherwise) with a view to obtaining, in relation to that or another Relevant Person, any form of moratorium, suspension or deferral of payments, reorganisation of debt (or certain debt) or arrangement with all or a substantial proportion (by number or value) of creditors or of any class of them or any such moratorium, suspension or deferral of payments, reorganisation or arrangement is effected by court order, by the filing of documents with a court, by means of a contract or in any other way at all; or

(x) any meeting of the members or directors, or of any committee of the board or senior management, of a Relevant Person is held or summoned for the purpose of considering a resolution or proposal to authorise or take any action of a type described in paragraphs (iv) to (ix) or a step preparatory to such action, or (with or without such a meeting) the members, directors or such a committee resolve or agree that such an action or step should be taken or should be taken if certain conditions materialise or fail to materialise; or

(xi) in a country other than England, any event occurs, any proceedings are opened or commenced or any step is taken which, in the opinion of the Majority Lenders is similar to any of the foregoing; or

(xii) a Relevant Person makes any formal declaration of bankruptcy or any formal statement to the effect that it is insolvent or likely to become insolvent, or a winding up or administration order is made in relation to a Relevant Person, or the members or directors of a Relevant Person pass a resolution to the effect that it should be wound up, placed in administration or cease to carry on business, save that this paragraph does not apply to a fully solvent winding up of a Relevant Person other than the Borrower or an Owner which is, or is to be, effected for the purposes of an amalgamation or reconstruction previously approved by the Majority Lenders and effected not later than 3 months after the commencement of the winding up; or

(xiii) a petition is presented in any Pertinent Jurisdiction for the winding up or administration, or the appointment of a provisional liquidator, of a Relevant Person unless the petition is being contested in good faith and on substantial grounds and is dismissed or withdrawn within 30 days of the presentation of the petition; or

(xiv) a Relevant Person petitions a court, or presents any proposal for, any form of judicial or non-judicial suspension or deferral of payments, reorganisation of its debt (or certain of its debt) or arrangement with all or a substantial proportion (by number or value) of its creditors or of any class of them or any such suspension or deferral of payments, reorganisation or arrangement is effected by court order, contract or otherwise; or

(xv) any meeting of the members or directors of a Relevant Person is summoned for the purpose of considering a resolution or proposal to authorise or take any action of a type described in paragraphs (iii), (iv), (v) or (vi) above; or

(xvi) in a Pertinent Jurisdiction other than England, any event occurs or any procedure is commenced which, in the opinion of the Majority Lenders, is similar to any of the foregoing; or

(h) the Borrower or any Owner ceases or suspends carrying on its business or a part of its business which, in the opinion of the Majority Lenders, is material in the context of this Agreement; or

(i) it becomes unlawful in any Pertinent Jurisdiction or impossible:

(i) for the Borrower or any Security Party to discharge any liability under a Finance Document or to comply with any other obligation which the Majority Lenders consider material under a Finance Document; or

(ii) for the Facility Agent, the Security Trustee or the Lenders to exercise or enforce any right under, or to enforce any Security Interest created by, a Finance Document; or

(j) any official consent necessary to enable any Owner to own, operate or charter the Ship owned by it or to enable any Owner or any Security Party to comply with any provision which the Majority Lenders consider material of a Finance Document is not granted, expires without being renewed, is revoked or becomes liable to revocation or any condition of such a consent is not fulfilled; or

(k) if the common units of the Borrower cease to be quoted on the Nasdaq National Market in New York or any other internationally recognised stock exchange acceptable to the Lenders or if the whole of the issued share capital of any Owner whose Ship is at the relevant time subject to a Mortgage is not wholly owned by the Borrower; or

(l) any provision which the Majority Lenders reasonably consider material of a Finance Document proves to have been or becomes invalid or unenforceable, or a Security Interest created by a Finance Document proves to have been or becomes invalid or unenforceable or such a Security Interest proves to have ranked after, or loses its priority to, another Security Interest or any other third party claim or interest; or

(m) it evidently appears to the Majority Lenders that, without their prior consent, a change has occurred after the date of this Agreement in the legal and beneficial ownership of any of the shares in any Owner or the ultimate beneficial ownership of the Borrower, in the control of the voting rights attaching to any of those shares or in Capital Partners GP LLC not being the Borrower's general partner unless such change results in the ultimate beneficial owner of the shares in that Owner and the Borrower (the identity of which has been disclosed to the Facility Agent in writing on the date of this Agreement) owning more common units in the capital of e the Borrower than any other person (save for any passive institutional investor)) and holding executive power in that Owner and the Borrower; or

(n) the security constituted by a Finance Document is in any way imperilled or in jeopardy; or

(o) any of the following occurs in relation to the Master Agreement:

(i) notice of an Early Termination Date is given by the Swap Bank under Section 6(a) of the Master Agreement; or

(ii) a person entitled to do so gives notice of Early Termination Date under Section (b) of the Master Agreement; or

(iii) an Event of Default (as defined in Section 14 of the Master Agreement) occurs; or

(iv) the Master Agreement is terminated, cancelled, suspended, rescinded or revoked or otherwise ceases to remain in full force and effect for any reason except with the consent of the Swap Bank; or

(p) any other event occurs or any other circumstances arise or develop including, without limitation:

(i) a change in the financial position, state of affairs or prospects of the Borrower or the Owners; or

(ii) any accident or other event involving a Ship or another vessel owned, chartered or operated by a Relevant Person; or

(iii) the commencement of legal or administrative action involving the Borrower, its Ship, or any Security Party,

which in the reasonable opinion of the Lenders constitutes a Material Adverse Change.

19.2 Actions following an Event of Default

On, or at any time after, the occurrence of an Event of Default:

(a) the Facility Agent may, and if so instructed by the Majority Lenders, the Facility Agent shall:

(i) serve on the Borrower a notice stating that the Commitments and all other obligations of each Lender to the Borrower under this Agreement are terminated; and/or

(ii) serve on the Borrower a notice stating that the Loan, all accrued interest and all other amounts accrued or owing under this Agreement are immediately due and payable or are due and payable on demand; and/or

(iii) take any other action which, as a result of the Event of Default or any notice served under paragraph (i) or (ii) above, the Facility Agent and/or the Lenders are entitled to take under any Finance Document or any applicable law; and/or

(b) the Security Trustee may, and if so instructed by the Facility Agent, acting with the authorisation of the Majority Lenders, the Security Trustee shall take any action which, as a result of the Event of Default or any notice served under paragraph (a) (i) or (ii) above, the Security Trustee, the Facility Agent, the Lenders and/or the Swap Bank are entitled to take under any Finance Document or any applicable law.

19.3 Termination of Commitments

On the service of a notice under paragraph (a)(i) of Clause 19.2, the Commitments and all other obligations of each Lender to the Borrower under this Agreement shall terminate.

19.4 Acceleration of Loan

On the service of a notice under paragraph (a)(ii) of Clause 19.2, the Loan, all accrued interest and all other amounts accrued or owing from the Borrower or any Security Party under this Agreement and every other Finance Document shall become immediately due and payable or, as the case may be, payable on demand.

19.5 Multiple notices; action without notice

The Facility Agent may serve notices under paragraphs (a) (i) and (ii) of Clause 19.2 simultaneously or on different dates and it and/or the Security Trustee may take any action referred to in that Clause if no such notice is served or simultaneously with or at any time after the service of both or either of such notices.

19.6 Notification of Creditor Parties and Security Parties

The Facility Agent shall send to each Lender, the Swap Bank, the Security Trustee and each Security Party a copy or the text of any notice which the Facility Agent serves on the Borrower under Clause 19.2; but the notice shall become effective when it is served on the Borrower, and no failure or delay by the Facility Agent to send a copy or the text of the notice to any other person shall invalidate the notice or provide the Borrower or any Security Party with any form of claim or defence.

19.7 Lender's rights unimpaired

Nothing in this Clause shall be taken to impair or restrict the exercise of any right given to individual Lenders or the Swap Bank under a Finance Document or the general law; and, in particular, this Clause is without prejudice to Clause 3.1.

19.8 Exclusion of Creditor Party Liability

No Creditor Party, and no receiver or manager appointed by the Security Trustee, shall have any liability to the Borrower or a Security Party:

(a) for any loss caused by an exercise of rights under, or enforcement of a Security Interest created by, a Finance Document or by any failure or delay to exercise such a right or to enforce such a Security Interest; or

(b) as mortgagee in possession or otherwise, for any income or principal amount which might have been produced by or realised from any asset comprised in such a Security Interest or for any reduction (however caused) in the value of such an asset,

except that this does not exempt a Creditor Party or a receiver or manager from liability for losses shown to have been directly or mainly caused by the gross negligence, the dishonesty or the wilful misconduct of such Creditor Party's own officers and employees or (as the case may be) such receiver's or manager's own partners or employees.

19.9 Relevant Persons

In this Clause 19 "a Relevant Person" means the Borrower, an Owner and any company which is a subsidiary of the Borrower or an Owner.

19.10 Interpretation

In Clause 19.1(f) references to an event of default or a termination event include any event, howsoever described, which is similar to an event of default in a facility agreement or a termination event in a finance lease; and in Clause 19.1(g) "**petition**" includes an application.

19.11 Position of Swap Bank

Neither the Facility Agent nor the Security Trustee shall be obliged, in connection with any action taken or proposed to be taken under or pursuant to the foregoing provisions of this Clause 19, to have any regard to the requirements of the Swap Bank except to the extent that the Swap Bank is also a Lender.

20 FEES AND EXPENSES

20.1 Commitment, arrangement and agency fees

The Borrower shall pay to the Facility Agent the fees, each in the amounts, at the rates, and on the dates and to the Creditor Parties referred to in the Fee Letter.

20.2 Costs of negotiation, preparation etc.

The Borrower shall pay to the Facility Agent on its demand the amount of all expenses incurred by the Facility Agent or the Security Trustee in connection with the negotiation, preparation, execution or registration of any Finance Document or any related document (including, for the avoidance of doubt, any expenses incurred by the Lenders in obtaining the legal opinions referred to in Schedule 3) or with any transaction contemplated by a Finance Document or a related document.

20.3 Costs of variations, amendments, enforcement etc.

The Borrower shall pay to the Facility Agent, on the Facility Agent's demand, for the account of the Creditor Party concerned, the amount of all expenses incurred by a Lender in connection with:

(a) any amendment or supplement (or any proposal for such an amendment or supplement) requested (or, in the case of a proposal, made) by or on behalf of the Borrower and relating to a Finance Document or any other Pertinent Document;

(b) any consent, waiver or suspension of rights by the Lenders, the Swap Bank, the Majority Lenders or the Creditor Party concerned or any proposal for any of the foregoing requested (or, in the case of a proposal, made) by or on behalf of the Borrower under or in connection with a Finance Document or any other Pertinent Document;

(c) the valuation of any security provided or offered under Clause 15 or any other matter relating to such security; or

(d) any step taken by the Lender concerned or the Swap Bank with a view to the preservation, protection, exercise or enforcement of any rights or Security Interest created by a Finance Document or for any similar purpose including, without limitation, any proceedings to recover or retain proceeds of enforcement or any other proceedings following enforcement proceedings until the date all outstanding indebtedness to the Creditor Parties under the Finance Documents, the Master Agreement and any other Pertinent Document is repaid in full.

There shall be recoverable under paragraph (d) the full amount of all legal expenses, whether or not such as would be allowed under rules of court or any taxation or other procedure carried out under such rules.

20.4 Documentary taxes

The Borrower shall promptly pay any tax payable on or by reference to any Finance Document, and shall, on the Facility Agent's demand, fully indemnify each Creditor Party against any claims, expenses, liabilities and losses resulting from any failure or delay by the Borrower to pay such a tax.

20.5 Certification of amounts

A notice which is signed by two officers of a Creditor Party, which states that a specified amount, or aggregate amount, is due to that Creditor Party under this Clause 20 and which indicates (without necessarily specifying a detailed breakdown) the matters in respect of which the amount, or aggregate amount, is due shall be prima facie evidence that the amount, or aggregate amount, is due.

21 INDEMNITIES

21.1 Indemnities regarding borrowing and repayment of Loan

The Borrower shall fully indemnify the Facility Agent and each Lender on the Facility Agent's demand and the Security Trustee on its demand in respect of all claims, expenses, liabilities and losses which are made or brought against or incurred by that Creditor Party, or which that Creditor Party reasonably and with due diligence estimates that it will incur, as a result of or in connection with:

(a) an Advance not being borrowed on the date specified in the Drawdown Notice for any reason other than a default by the Lender claiming the indemnity after the Drawdown Notice has been served in accordance with the provisions of this Agreement;

(b) the receipt or recovery of all or any part of the Loan or an overdue sum otherwise than on the last day of an Interest Period or other relevant period;

(c) any failure (for whatever reason) by the Borrower to make payment of any amount due under a Finance Document on the due date or, if so payable, on demand (after giving credit for any default interest paid by the Borrower on the amount concerned under Clause 7); and

(d) the occurrence and/or continuance of an Event of Default or a Potential Event of Default and/or the acceleration of repayment of the Loan under Clause 19,

and in respect of any tax (other than tax on its overall net income) for which a Creditor Party is liable in connection with any amount paid or payable to that Creditor Party (whether for its own account or otherwise) under any Finance Document.

21.2 Break Costs

If a Lender (the "**Notifying Lender**") notifies the Facility Agent that as a consequence of receipt or recovery of all or any part of the Loan (a "**Payment**") on a day other than the last day of an Interest Period applicable to the sum received or recovered the Notifying Lender has or will, with effect from a specified date, incur Break Costs:

(a) the Facility Agent shall promptly notify the Borrower of a notice it receives from a Notifying Lender under this Clause 21.2;

(b) the Borrower shall, within 3 Business Days of the Facility Agent's demand, pay to the Facility Agent for the account of the Notifying Lender the amount of such Break Costs; and

(c) the Notifying Lender shall, as soon as reasonably practicable, following a request by the Borrower, provide a certificate confirming the amount of the Notifying Lender's Break Costs for the Interest Period in which they accrue, such certificate to be, in the absence of manifest error, conclusive and binding on the Borrower.

In this Clause 21.2, "**Break Costs**" means, in relation to a Payment the amount (if any) by which:

(i) the interest which the Notifying Lender, should have received in respect of the sum received or recovered from the date of receipt or recovery of such Payment to the last day of the then current Interest Period applicable to the sum received or recovered had such Payment been made on the last day of such interest Period;

exceeds

(ii) the amount which the Notifying Lender, would be able to obtain by placing an amount equal to such Payment on deposit with a leading bank in the London Interbank Market for a period commencing on the Business Day following receipt or recovery of such Payment (as the case may be) and ending on the last day of the then current Interest Period applicable to the sum received or recovered.

21.3 Other breakage costs

Without limiting its generality, Clause 21.1 covers any claim, expense, liability or loss, including a loss of prospective profit, incurred by a Lender in borrowing, liquidating or re-employing deposits from third parties acquired, contracted for or arranged to fund, effect or maintain all or any part of its Contribution and/or any overdue amount (or an aggregate amount which includes its Contribution or any overdue amount) other than claims, expenses, liabilities and losses which are shown to have been directly and mainly caused by the gross negligence or wilful misconduct of the officers or employees of the Creditor Party concerned.

21.4 Miscellaneous indemnities

The Borrower shall fully indemnify each Creditor Party severally on their respective demands, without prejudice to any of their other rights under any of the Finance Documents, in respect of all claims, proceedings, liabilities, taxes, losses and expenses of every kind which may be made or brought against or sustained or incurred by a Creditor Party, in any country, as a result of or in connection with:

(a) any action taken, or omitted or neglected to be taken, under or in connection with any Finance Document by the Facility Agent, the Security Trustee or any other Creditor Party or by any receiver appointed under a Finance Document;

(b) investigating any event which the Creditor Party concerned reasonably believes constitutes an Event of Default or Potential Event of Default;

(c) acting or relying on any notice, request or instruction which the Creditor Party concerned reasonably believes to be genuine, correct and appropriately authorised; or

(d) any other Pertinent Matter,

other than claims, expenses, liabilities and losses which are shown to have been directly and mainly caused by the dishonesty, gross negligence or wilful misconduct of the officers or employees of the Creditor Party concerned.

Without prejudice to its generality, Clause 21.1 and this Clause 21.4 cover any claims, expenses, liabilities and losses which arise, or are asserted, under or in connection with any law relating to safety at sea, the ISM Code, the ISPS Code or any Environmental Law.

21.5 Environmental Indemnity

Without prejudice to its generality, Clause 21.3 covers any claims, demands, proceedings, liabilities, taxes, losses or expenses of every kind which arise, or are asserted, under or in connection with any law relating to safety at sea, pollution or the protection of the environment, the ISM Code or the ISPS Code.

21.6 Currency indemnity

If any sum due from the Borrower or any Security Party to a Creditor Party under a Finance Document or under any order, award or judgment relating to a Finance Document (a "**Sum**") has to be converted from the currency in which the Finance Document provided for the Sum to be paid (the "**Contractual Currency**") into another currency (the "**Payment Currency**") for the purpose of:

(a) making, filing or lodging any claim or proof against the Borrower or any Security Party, whether in its liquidation, any arrangement involving it or otherwise; or

(b) obtaining an order, judgment or award from any court or other tribunal in relation to any litigation or arbitration proceedings; or

(c) enforcing any such order, judgment or award,

the Borrower shall as an independent obligation, within 3 Business Days of demand, indemnify the Creditor Party to whom that Sum is due against any cost, loss or liability arising when the payment actually received by that Creditor Party is converted at the available rate of exchange back into the Contractual Currency including any discrepancy between (A) the rate of exchange actually used to convert the Sum from the Payment Currency into the Contractual Currency and (B) the available rate of exchange.

In this Clause 21.6, the "**available rate of exchange**" means the rate at which the Creditor Party concerned is able at the opening of business (London time) on the Business Day after it receives the Sum to purchase the Contractual Currency with the Payment Currency.

The Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency other than that in which it is expressed to be payable.

If any Creditor Party receives any Sum in a currency other than the Contractual Currency, the Borrower shall indemnify the Creditor Party concerned against any cost, loss or liability arising directly or indirectly from any conversion of such Sum to the Contractual Currency.

This Clause 21.6 creates a separate liability of the Borrower which is distinct from its other liabilities under the Finance Documents and which shall not be merged in any judgment or order relating to those other liabilities.

21.7 Application to Master Agreement

For the avoidance of doubt, Clause 21.4 does not apply in respect of sums due from the Borrower to the Swap Bank under or in connection with the Master Agreement as to which sums the provisions of section 8 (Contractual Currency) of the Master Agreement shall apply.

21.8 Certification of amounts

A notice which is signed by 2 officers of a Creditor Party, which states that a specified amount, or aggregate amount, is due to that Creditor Party under this Clause 21 and which indicates (without necessarily specifying a detailed breakdown) the matters in respect of which the amount, or aggregate amount, is due shall be prima facie evidence that the amount, or aggregate amount, is due.

21.9 Sums deemed due to a Lender

For the purposes of this Clause 21, a sum payable by the Borrower to the Facility Agent or the Security Trustee for distribution to a Lender shall be treated as a sum due to that Lender.

22 NO SET-OFF OR TAX DEDUCTION

22.1 No deductions

All amounts due from the Borrower under a Finance Document shall be paid:

(a) without any form of set-off, counter-claim or condition; and

(b) free and clear of any tax deduction except a tax deduction which the Borrower is required by law to make.

22.2 Grossing-up for taxes

If the Borrower is required by law, regulation or regulatory requirement to make a tax deduction from any payment due under a Finance Document:

(a) the Borrower shall notify the Facility Agent as soon as it becomes aware of the requirement;

(b) the amount due in respect of the payment shall be increased by the amount necessary to ensure that, after the making of such tax deduction, each Creditor Party receives and retains (free from any liability relating to the tax deduction) a net amount which, after the tax deduction, is equal to the full amount which it would have received had no such tax deduction been required to be made; and

(c) the Borrower shall pay the full amount of the tax required to be deducted to the appropriate taxation authority promptly in accordance with the relevant law, regulation or regulatory requirement, and in any event before any fine or penalty arises.

22.3 Indemnity and evidence of payment of taxes

The Borrower shall fully indemnify each Creditor Party on the Facility Agent's demand in respect of all claims, expenses, liabilities and losses incurred by any Creditor Party by reason of:

(a) any failure of the Borrower to make any tax deduction; or

(b) any increased payment not being made on the due date for such payment in accordance with Clause 22.2; or

(c) without prejudice to the provisions of Clause 22.2, any payment on account of tax required to be made by a Creditor Party solely as a result of that Creditor Party's entry into any Finance Document (not being a tax imposed on the net income of that Creditor Party by the jurisdiction in which it is incorporated, or the jurisdiction in which it is located or on the capital of that Creditor Party employed in such jurisdiction or jurisdictions) on any sum received or receivable under the Finance Documents (including, without limitation, any sum received or receivable under this Clause 22.3) or any liability in respect of any such payment is asserted, imposed, levied or assessed against that Creditor Party.

Within 30 days after making any tax deduction, the Borrower shall deliver to the Facility Agent any receipts, certificates or other documentary evidence satisfactory to the Facility Agent that the tax had been paid to the appropriate taxation authority.

22.4 Exclusion of tax on overall net income

In this Clause 22 "**tax deduction**" means any deduction or withholding from any payment due under a Finance Document for or on account of any present or future tax except tax on a Creditor Party's overall net income.

22.5 Application to Master Agreement

For the avoidance of doubt, Clause 22 does not apply in respect of sums due from the Borrower to the Swap Bank under or in connection with the Master Agreement as to which sums the provisions of section 2(d) (Deduction or Withholding for Tax) of the Master Agreement shall apply.

22.6 FATCA

(a) FATCA information

(i) Subject to paragraph (iii) below, each party to a Finance Document shall, within 10 Business Days of a reasonable request by another party to the Finance Documents:

(A) confirm to that other party whether it is a FATCA Exempt Party or is not a FATCA Exempt Party; and

(B) supply to the requesting party such forms, documentation and other information relating to its status under FATCA (including its applicable "passthru percentage" or other information required under the Treasury regulations or other official guidance including intergovernmental agreements) as the requesting party reasonably requests for the purposes of such requesting party's compliance with FATCA.

(ii) If a party to any Finance Document confirms to another party pursuant to Clause 22.5(a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not, or has ceased to be a FATCA Exempt Party, that party shall notify that other party reasonably promptly.

(iii) Sub-clause (i) above shall not oblige any Creditor Party to do anything which would or might in its reasonable opinion constitute a breach of any law or regulation, any policy of that party, any fiduciary duty or any duty of confidentiality, or to disclose any confidential information (including, without limitation, its tax returns and calculations); provided, however, that information required (or equivalent to the information so required) by United States Internal Revenue Service Forms W-8 or W-9 (or any successor forms) shall not be treated as confidential information of such party for purposes of this Sub-clause (iii).

(iv) If a party to any Finance Document fails to confirm its status or to supply forms, documentation or other information requested in accordance with sub-clause (i) above (including, for the avoidance of doubt, where sub-clause (iii) above applies), then:

(A) if that party failed to confirm whether it is (and/or remains) a FATCA Exempt Party then such party shall be treated for the purposes of the Finance Documents as if it is not a FATCA Exempt Party; and

(B) if that party failed to confirm its applicable passthru percentage then such party shall be treated for the purposes of the Finance Documents (and payments made thereunder) as if its applicable passthru percentage is 100 per cent.,

until (in each case) such time as the party in question provides the requested confirmation, forms, documentation or other information.

(b) FATCA Gross-Up

(i) If the Borrower or any Security Party making a payment under a Finance Document is required to make a FATCA Deduction, the Borrower or Security Party shall make that FATCA Deduction and shall make a payment to the United States government within the time allowed and in the amount required by FATCA.

(ii) If a FATCA Deduction is required to be made by the Borrower or any Security Party, the amount of the payment due from the Borrower or any Security Party shall be increased to an amount which (after making any FATCA Deductions) leaves an amount equal to the payment which would have been due if no FATCA Deduction had been required.

(iii) Each of the Borrower and the Security Parties shall promptly upon becoming aware that a FATCA Deduction is required (or that there is any change in the rate or basis of a FATCA Deduction) notify the Facility Agent accordingly. A Lender shall notify the Facility Agent on becoming aware that a FATCA Deduction (or that a change in the rate or basis of a FATCA Deduction) may be required on a payment to such Lender.

(iv) Within 30 days of making either a FATCA Deduction or any payment required in connection with that FATCA Deduction, the Borrower or any Security Party, as applicable, shall deliver to the Facility Agent for the party entitled to the payment evidence reasonably satisfactory to that party that the FATCA Deduction has been made or (as applicable) any appropriate payment paid to the IRS.

(v) Each Creditor Party may make any FATCA Deduction it is required to make under FATCA, and any payment required in connection with that FATCA Deduction, and none of the Creditor Parties shall be required to increase any payment in respect of which it makes such a FATCA Deduction. A Creditor Party which becomes aware that it must make a FATCA Deduction in respect of a payment to another party (or that there is any change in the rate or basis of such FATCA Deduction) shall notify that party and the Facility Agent.

(vi) If the Facility Agent is required to make a FATCA Deduction in respect of a payment to a Creditor Party which relates to a payment by the Borrower or any Security Party, the amount of the payment due from the Borrower or Security Party, as the case may be, shall be increased to an amount which (after the Facility Agent has made such FATCA Deduction) leaves the Facility Agent with an amount equal to the payment which would have been made by the Facility Agent if no FATCA Deduction had been required.

(vii) The Facility Agent shall promptly upon becoming aware that it must make a FATCA Deduction in respect of a payment to a Lender which relates to a payment by the Borrower or any Security Party (or that there is any change in the rate or the basis of such a FATCA Deduction) notify the Borrower and the relevant Lender.

(c) FATCA Indemnity

(i) The Borrower shall (within 3 Business Days of demand by the Facility Agent) indemnify each Creditor Party and pay to each such Creditor Party an amount equal to the taxes, losses, liabilities or costs which such Creditor Party determines will be or has been (directly or indirectly) suffered by such party as a result of the Borrower or any Security Party making a FATCA Deduction in respect of a payment due to such Creditor Party under a Finance Document, or any taxes, penalties, interest or other amounts being asserted against or imposed on such Creditor Party by any taxing authority of or in the United States under FATCA.

(ii) Notwithstanding anything to the contrary, if any Creditor Party is a FATCA Exempt Party, and after reasonable request of the Borrower at least 60 days prior to the next interest payment date, such Creditor Party has not provided the Borrower with written confirmation that it is a FATCA Exempt Party on or prior to the next Interest payment date after such request, then, unless the status of such party under FATCA is publicly published by the United States Government or is otherwise publicly available in connection with FATCA, the Borrower shall not be required to indemnify such Creditor Party for United States Federal taxes imposed under FATCA pursuant to this Clause 22.5 until such time as such Creditor Party shall have provided written notification of its status as a FATCA Exempt Party.

(iii) A Creditor Party making, or intending to make, a claim under sub-clause (i) above shall promptly notify the Facility Agent of the FATCA Deduction which will give, or has given, rise to the claim, following which the Facility Agent shall notify the Borrower.

(d) No Double FATCA Indemnity

This Clause 22.5 shall be the sole remedy for the payment of any United States Federal taxes imposed under FATCA and no such FATCA taxes shall be paid or indemnified under Clause 21 or any other sub-clause of Clause 22.

(e) FATCA Mitigation

(i) If a FATCA Deduction is or will be required to be made by the Borrower under Clause 22.5(b) or (c) in respect of a payment to any FATCA Non-Exempt Lender, the Borrower may (but shall not be required to), in addition to making any FATCA Deductions already required and any associated gross-up and indemnity payments under this Clause 22.5, elect to either:

(A) Prepay in full the Contribution of the FATCA Non-Exempt Lender (plus accrued and unpaid interest, the Mandatory Cost, if any, and all other amounts then due the FATCA Non-Exempt Lender) in accordance with and subject to the conditions of Clause 8 upon 15 days' written notice to the Facility Agent and such FATCA Non-Exempt Lender, specifying the amount to be prepaid, the date on which the prepayment is to be made and the basis for the FATCA Deduction, or

(B) if no Event of Default or Potential Event of Default has occurred and is continuing, nominate one or more Transferee Lenders who upon becoming a Lender would be an Exempt FATCA Party, by notice in writing to the Facility Agent and the FATCA Non-Exempt Lender specifying the terms of the proposed transfer, and, subject to sub-clause (ii) below, cause such Transferee Lender(s) to purchase all of the FATCA Non-Exempt Lender's Contribution and Commitment.

(ii) If the Borrower elects to nominate one or more Transferee Lenders under Clause 22.5(e)(i)(B), the relevant FATCA Non-Exempt Lender shall transfer its Contribution and Commitment to such Transferee Lender(s), but only after such FATCA Non-Exempt Lender has received one or more payments from the Borrower and such Transferee Lender(s) in an aggregate amount at least equal to the aggregate outstanding Contribution of such FATCA Non-Exempt Lender, together with accrued interest thereon to the date of payment of such Contribution and all other amounts payable to such FATCA Non-Exempt Lender under the Finance Documents.

(iii) If a FATCA Deduction is or will be required to be made by the Borrower under Clause 22.5(b) or (c) in respect of a payment to any Creditor Party as a result of the Facility Agent not being a FATCA Exempt Party, at the written request of the Creditor Party, the Facility Agent shall resign and a successor Facility Agent who is a FATCA Exempt Party shall be appointed pursuant to the Agency and Trust Deed.

22.7 Stamp taxes

The Borrower must pay and indemnify each Creditor Party against any stamp duty, registration or other similar Tax payable by that Creditor Party in connection with the entry into, performance or enforcement of any Finance Document.

22.8 Value added taxes

Any amount (including costs and expenses) payable under a Finance Document by the Borrower is exclusive of any value added tax or any other tax of a similar nature which might be chargeable in connection with that amount. If any such tax is chargeable, the Borrower must pay to the Facility Agent (in addition to and at the same time as paying that amount) an amount equal to the amount of that tax.

23 ILLEGALITY, ETC

23.1 Illegality

This Clause 23 applies if a Lender (the "**Notifying Lender**") notifies the Facility Agent that it has become, or will with effect from a specified date, become:

(a) unlawful or prohibited as a result of the introduction of a new law, an amendment to an existing law or a change in the manner in which an existing law is or will be interpreted or applied; or

(b) contrary to, or inconsistent with, any regulation,

for the Notifying Lender to perform, maintain or give effect to any of its obligations under this Agreement in the manner contemplated by this Agreement or to fund or maintain the Loan.

23.2 Notification of illegality

The Facility Agent shall promptly notify the Borrower, the Security Parties, the Security Trustee and the other Lenders of the notice under Clause 23.1 which the Facility Agent receives from the Notifying Lender.

23.3 Prepayment; termination of Commitment

On the Facility Agent notifying the Borrower under Clause 23.2, the Notifying Lender's Commitment shall terminate; and thereupon or, if later, on the date specified in the Notifying Lender's notice under Clause 23.1 as the date on which the notified event would become effective the Borrower shall prepay the Notifying Lender's Contribution on the last day of the then current Interest Period accordance with Clause 8.

24 INCREASED COSTS

24.1 Increased costs

This Clause 24 applies if a Lender (the "**Notifying Lender**") notifies the Facility Agent that the Notifying Lender considers that as a result of:

(a) the introduction or alteration after the date of this Agreement of a law or an alteration after the date of this Agreement in the manner in which a law is interpreted or applied (disregarding any effect which relates to the application to payments under this Agreement of a tax on a Lender's overall net income); or

(b) complying with any regulation (including any which relates to capital adequacy or liquidity controls or which affects the manner in which the Notifying Lender allocates capital resources to its obligations under this Agreement) which is introduced, or altered, or the interpretation or application of which is altered, after the date of this Agreement; or

(c) the implementation or application of or compliance with:

(i) the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 ("**Basel II**") or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator or the Notifying Lender or a parent company or affiliate of it; or

(ii) the "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010 ("**Basel III**") or any other law or regulation which implements Basel III (whether such implementation, application or compliance is by a government, regulator or the Notifying Lender or a parent company or affiliate of it),

(d) in each case when compared to the cost of complying with such regulations as determined by the Notifying Lender (or parent company or affiliate of it) on the date of this Agreement (whether such implementation, application or compliance is by a government, regulator, supervisory authority, the Notifying Lender or its holding company),

the Notifying Lender (or a parent company or affiliate of it) has incurred or will incur an "**increased cost**".

24.2 Meaning of "increased costs"

In this Clause 24, "**increased costs**" means, in relation to a Notifying Lender:

(a) an additional or increased cost incurred as a result of, or in connection with, the Notifying Lender having entered into, or being a party to, this Agreement or a Transfer Certificate or an Additional Lender's Certificate or having taken an assignment of rights under this Agreement, of funding or maintaining its Commitment or Contribution or performing its obligations under this Agreement, or of having outstanding all or any part of its Contribution or other unpaid sums;

(b) a reduction in the amount of any payment to the Notifying Lender under this Agreement or in the effective return which such a payment represents to the Notifying Lender or on its capital;

(c) an additional or increased cost of funding all or maintaining all or any of the advances comprised in a class of advances formed by or including the Notifying Lender's Contribution or (as the case may require) the proportion of that cost attributable to the Contribution; or

(d) a liability to make a payment, or a return foregone, which is calculated by reference to any amounts received or receivable by the Notifying Lender under this Agreement,

but not an item attributable to a change in the rate of tax on the overall net income of the Notifying Lender (or a parent company or affiliate of it) or an item covered by the indemnity for tax in Clause 21.1 or by Clause 22.

For the purposes of this Clause 24.2 the Notifying Lender may in good faith allocate or spread costs and/or losses among its assets and liabilities (or any class of its assets and liabilities) on such basis as it considers appropriate.

24.3 Notification to Borrower of claim for increased costs

The Facility Agent shall promptly notify the Borrower and the Security Parties of the notice which the Facility Agent received from the Notifying Lender under Clause 24.1.

24.4 Payment of increased costs

The Borrower shall pay to the Facility Agent, on the Facility Agent's demand, for the account of the Notifying Lender the amounts which the Facility Agent from time to time notifies the Borrower that the Notifying Lender has specified to be necessary to compensate the Notifying Lender for the increased cost.

24.5 Notice of prepayment

If the Borrower is not willing to continue to compensate the Notifying Lender for the increased cost under Clause 24.4, the Borrower may give the Facility Agent not less than 15 days' notice of its intention to prepay the Notifying Lender's Contribution at the end of an Interest Period.

24.6 Prepayment; termination of Commitment

A notice under Clause 24.5 shall be irrevocable; the Facility Agent shall promptly notify the Notifying Lender of the Borrower's notice of intended prepayment; and:

(a) on the date on which the Facility Agent serves that notice, the Commitment of the Notifying Lender shall be cancelled; and

(b) on the date specified in its notice of intended prepayment, the Borrower shall prepay (without premium or penalty) the Notifying Lender's Contribution, together with accrued interest thereon at the applicable rate plus the Margin.

24.7 Application of prepayment

Clause 8 shall apply in relation to the prepayment.

25 SET-OFF

25.1 Application of credit balances

Each Creditor Party may following the occurrence of an Event of Default and without prior notice:

(a) apply any balance (whether or not then due) which at any time stands to the credit of any account in the name of the Borrower at any office in any country of that Creditor Party in or towards satisfaction of any sum then due from the Borrower to that Creditor Party under any of the Finance Documents; and

(b) for that purpose:

(i) break, or alter the maturity of, all or any part of a deposit of the Borrower;

(ii) convert or translate all or any part of a deposit or other credit balance into Dollars; and

(iii) enter into any other transaction or make any entry with regard to the credit balance which the Creditor Party concerned considers appropriate.

25.2 Existing rights unaffected

No Creditor Party shall be obliged to exercise any of its rights under Clause 25.1; and those rights shall be without prejudice and in addition to any right of set-off, combination of accounts, charge, lien or other right or remedy to which a Creditor Party is entitled (whether under the general law or any document).

25.3 Sums deemed due to a Lender

For the purposes of this Clause 25, a sum payable by the Borrower to the Facility Agent or the Security Trustee for distribution to, or for the account of, a Lender shall be treated as a sum due to that Lender; and each Lender's proportion of a sum so payable for distribution to, or for the account of, the Lenders shall be treated as a sum due to such Lender.

25.4 No Security Interest

This Clause 25 gives the Creditor Parties a contractual right of set-off only, and does not create any equitable charge or other Security Interest over any credit balance of the Borrower.

26 TRANSFERS AND CHANGES IN LENDING OFFICES

26.1 Transfer by the Borrower

The Borrower may not assign or transfer any of its rights, liabilities or obligations under any Finance Document.

26.2 Transfer by a Lender

Subject to Clause 26.4, a Lender (the "**Transferor Lender**") may, at any time, cause:

(a) its rights in respect of all or part of its Contribution; or

(b) its obligations in respect of all or part of its Commitment; or

(c) a combination of (a) and (b); or

(d) all or part of its credit risk under this Agreement and the other Finance Documents,

to be syndicated to or, (in the case of its rights) assigned, pledged or transferred to, or (in the case of its obligations) pledged or assumed by, any third party (a "**Transferee Lender**") by delivering to the Facility Agent a completed certificate in the form set out in Schedule 4 with any modifications approved or required by the Facility Agent (a "**Transfer Certificate**") executed by the Transferor Lender and the Transferee Lender.

However any rights and obligations of the Transferor Lender in its capacity as Facility Agent or Security Trustee will have to be dealt with separately in accordance with the Agency and Trust Agreement. All costs and expenses relating to a transfer effected pursuant to this Clause 26.2 shall be borne by the Transferee Lender.

A transfer pursuant to this Clause 26.2 shall:

(i) be effected without the consent of the Borrower:

(1) following the occurrence of an Event of Default;

(2) if such transfer is to a subsidiary or any other company or financial institution which is in the same ownership or control as one of the Lenders; and

(ii) in all other circumstances, require the consent of the Borrower (such consent not to be unreasonably withheld or delayed) which should be provided within 10 days otherwise such consent shall be deemed to have been provided.

26.3 Transfer Certificate, delivery and notification

As soon as reasonably practicable after a Transfer Certificate is delivered to the Facility Agent, it shall (unless it has reason to believe that the Transfer Certificate may be defective):

(a) ensure that all relevant "know your customer" requirements in connection with the Transferee Lender are complied with under all applicable laws and regulations and shall promptly notify the other Lenders and the Transferee Lender accordingly;

(b) sign the Transfer Certificate on behalf of itself the Borrower, the Security Parties, the Security Trustee and each of the other Lenders and the Swap Bank;

(c) on behalf of the Transferee Lender, send to the Borrower and each Security Party letters or faxes notifying them of the Transfer Certificate and attaching a copy of it; and

(d) send to the Transferee Lender copies of the letters or faxes sent under paragraph (b) above.

26.4 Effective Date of Transfer Certificate

A Transfer Certificate becomes effective on the date, if any, specified in the Transfer Certificate as its effective date **Provided that** it is signed by the Facility Agent under Clause 26.3 on or before that date.

26.5 No transfer without Transfer Certificate

No assignment or transfer of any right or obligation of a Lender under any Finance Document is binding on, or effective in relation to, the Borrower, any Security Party, the Facility Agent or the Security Trustee unless it is effected, evidenced or perfected by a Transfer Certificate.

26.6 Lender re-organisation; waiver of Transfer Certificate

However, if a Lender enters into any merger, de-merger or other reorganisation as a result of which all its rights or obligations vest in another person (the "**successor**"), the Facility Agent may, if it sees fit, by notice to the successor and the Borrower and the Security Trustee waive the need for the execution and delivery of a Transfer Certificate; and, upon service of the Facility Agent's notice, the successor shall become a Lender with the same Commitment and Contribution as were held by the predecessor Lender.

26.7 Effect of Transfer Certificate

A Transfer Certificate takes effect in accordance with English law as follows:

(a) to the extent specified in the Transfer Certificate, all rights and interests (present, future or contingent) which the Transferor Lender has under or by virtue of the Finance Documents (other than the Master Agreement) are assigned to the Transferee Lender absolutely, free of any defects in the Transferor Lender's title and of any rights or equities which the Borrower or any Security Party had against the Transferor Lender;

(b) the Transferor Lender's Commitment is discharged to the extent specified in the Transfer Certificate;

(c) the Transferee Lender becomes a Lender with the Contribution previously held by the Transferor Lender and a Commitment of an amount specified in the Transfer Certificate;

(d) the Transferee Lender becomes bound by all the provisions of the Finance Documents (other than the Master Agreement) which are applicable to the Lenders generally, including those about pro-rata sharing and the exclusion of liability on the part of, and the indemnification of, the Facility Agent and the Security Trustee and, to the extent that the Transferee Lender becomes bound by those provisions (other than those relating to exclusion of liability), the Transferor Lender ceases to be bound by them;

(e) any part of the Loan which the Transferee Lender advances after the Transfer Certificate's effective date ranks in point of priority and security in the same way as it would have ranked had it been advanced by the transferor, assuming that any defects in the transferor's title and any rights or equities of the Borrower or any Security Party against the Transferor Lender had not existed;

(f) the Transferee Lender becomes entitled to all the rights under the Finance Documents (other than the Master Agreement) which are applicable to the Lenders generally, including but not limited to those relating to the Majority Lenders and those under Clause 5.7 and Clause 20, and to the extent that the Transferee Lender becomes entitled to such rights, the Transferor Lender ceases to be entitled to them; and

(g) in respect of any breach of a warranty, undertaking, condition or other provision of a Finance Document or any misrepresentation made in or in connection with a Finance Document (other than the Maser Agreement), the Transferee Lender shall be entitled to recover damages by reference to the loss incurred by it as a result of the breach or misrepresentation, irrespective of whether the original Lender would have incurred a loss of that kind or amount.

The rights and equities of the Borrower or any Security Party referred to above include, but are not limited to, any right of set off and any other kind of cross-claim.

26.8 Maintenance of register of Lenders

During the Security Period the Facility Agent shall maintain a register in which it shall record the name, Commitment, Contribution and administrative details (including the lending office) from time to time of each Lender holding a Transfer Certificate and each Additional Lender and the effective date (in accordance with Clause 26.4 or, as the case may be, Clause 2.5) of the Transfer Certificate or, as the case may be, each Additional Lender's Certificate; and the Facility Agent shall make the register available for inspection by any Lender, the Security Trustee and the Borrower during normal banking hours, subject to receiving at least 3 Business Days prior notice.

26.9 Reliance on register of Lenders

The entries on that register shall, in, the absence of manifest error, be conclusive in determining the identities of the Lenders and the amounts of their Commitments and Contributions and the effective dates of Transfer Certificates or, as the case may be, each Additional Lender's Certificate and may be relied upon by the Facility Agent and the other parties to the Finance Documents for all purposes relating to the Finance Documents.

26.10 Authorisation of Facility Agent and conditions to sign Transfer Certificates

The Borrower, the Security Trustee, each Lender and the Swap Bank irrevocably authorises the Facility Agent to sign Transfer Certificates on its behalf. The Borrower and each Security Party irrevocably agree to the transfer procedures set out in this Clause 26 and to the extent the cooperation of the Borrower and/or any Security Party shall be required to effect any such transfer, the Borrower and such Security Party shall take all necessary steps to afford such cooperation.

The Facility Agent shall only be obliged to execute a Transfer Certificate as soon as it is satisfied that ail "know your customer" requirements are complied with under all applicable laws and regulations in connection with the Transferee Lender.

26.11 Registration fee

In respect of any Transfer Certificate, the Facility Agent shall be entitled to recover a registration fee of $2,500 from the Transferor Lender or (at the Facility Agent's option) the Transferee Lender.

26.12 Sub-participation; subrogation assignment

A Lender may sub-participate all or any part of its rights and/or obligations under or in connection with the Finance Documents (other than the Master Agreement) without the consent of, or any notice to, the Borrower, any Security Party, the Facility Agent or the Security Trustee or any other Creditor Party; and the Lenders may assign, in any manner and terms agreed by the Majority Lenders, the Facility Agent and the Security Trustee, all or any part of those rights to an insurer or surety who has become subrogated to them.

26.13 Disclosure of information

A Lender may, without the prior consent of the Borrower or any Security Party, disclose to:

(a) a potential Transferee Lender or sub participant as well as, where relevant, to rating agencies, trustees and accountants;

(b) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;

(c) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; or

(d) to whom or for whose benefit that Lender charges, assigns or otherwise creates a Security Interest (or may do so) pursuant to Clause 26.16,

any financial or other information which that Lender has received in relation to the Loan, the Borrower, any Security Party or their affairs and collateral or security provided under or in connection with any Finance Document, their financial circumstances and any other information whatsoever, as that Lender may deem reasonably necessary or appropriate in connection with the potential syndication, the assessment of the credit risk and the ongoing monitoring of the Loan by any potential Transferee Lender and that Lender shall be released from its obligation of secrecy and from banking confidentiality. The Lender concerned and the Borrower shall require that any such potential Transferee Lender, sub-participant, rating agency, trustee or accountant signs a confidentiality agreement. The Borrower shall, and shall procure that any other Security Party shall:

(i) provide the Creditor Parties (or any of them) with all information deemed, reasonably, necessary by the Creditor Parties (or any of them) for the purposes of any transfer or sub-participation to be effected pursuant to this Clause 26;

(ii) procure that the directors and offices of the Borrower or any Security Party are available to participate in any meeting with any Transferee Lender or any rating agency at such times and places as the Creditor Parties may reasonably request on notice (to be served on the Borrower reasonably in advance) to the Borrower or that Security Party; and

(iii) permit any Transferee Lender to board any Ship at all reasonable times to inspect its condition with reasonable notice to the Borrower (after taking into consideration the relevant Ship's schedule).

26.14 Change of lending office

A Lender may change its lending office by giving notice to the Facility Agent and the change shall become effective on the later of:

(a) the date on which the Facility Agent receives the notice; and

(b) the date, if any, specified in the notice as the date on which the change will come into effect.

26.15 Notification

On receiving such a notice, the Facility Agent shall notify the Borrower and the Security Trustee; and, until the Facility Agent receives such a notice, it shall be entitled to assume that a Lender is acting through the lending office of which the Facility Agent last had notice.

26.16 Security over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 26, each Lender may without consulting with or obtaining consent from the Borrower or any Security Party at any time charge, assign or otherwise create a Security Interest in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document (other than the Master Agreement) to secure obligations of that Lender including, without limitation:

(a) any charge, assignment or other Security interest to secure obligations to a federal reserve or central bank; and

(b) in the case of any Lender which is a fund, any charge, assignment or other Security Interest granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities;

except that no such charge, assignment or Security Interest shall:

(i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security Interest for the Lender as a party to any of the Finance Documents; or

(ii) require any payments to be made by the Borrower or any Security Party or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

26.17 Replacement of Reference Bank

If the Reference Bank ceases to be a Lender or is unable on a continuing basis to supply quotations for the purposes of Clause 5 then, unless the Borrower, the Facility Agent and the Majority Lenders otherwise agree, the Facility Agent, acting on the instructions of the Majority Lenders, and after consulting the Borrower, shall appoint another bank (whether or not a Lender) to be a replacement Reference Bank; and, when that appointment comes into effect, the first-mentioned Reference Bank's appointment shall cease to be effective.

27 VARIATIONS AND WAIVERS

27.1 Required consents

(a) Subject to Clause 27.2 (Exceptions) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Borrower and any such amendment or waiver will be binding on all Creditor Parties and the Borrower.

(b) Any instructions given by the Majority Lenders will be binding on all the Creditor Parties.

(c) The Facility Agent may effect, on behalf of any Creditor Party, any amendment or waiver permitted by this Clause.

27.2 Exceptions

(a) However, Clause 27.1 applies as if the words "the Majority Lenders" were replaced therein by the words "all Lenders" as regards an amendment or waiver that has the effect of changing or which relates to:

(i) the definition of "Majority Lenders" or "Finance Documents" in Clause 1.1 (Definitions);

(ii) an extension to the date of payment of any amount under the Finance Documents;

(iii) a reduction in the Margin or a reduction in the amount of any payment of principal, interest fees, commission or other amount payable under any of the Finance Documents;

(iv) an increase in or an extension of any Lender's Commitment;

(v) any provision which expressly requires the consent of all the Lenders; or

(vi) Clause 3 (Position of the Lenders and Swap Bank), Clause 11.5, 11.6 and 11.7, Clause 26 (Transfers and Changes in Lending Offices) or this Clause 27.2;

(vii) any release of any Security Interest, guarantee, indemnities or subordination arrangement created by any Finance Document;

(viii) any change of the currency in which the Loan is provided or any amount is payable under any of the Finance Documents;

(ix) extend the Availability Period; and

(x) change Clauses 22 (grossing-up) and 16.4 (distribution of payment to Creditor Parties).

(b) an amendment or waiver which relates to the rights or obligations of the Facility Agent, the Arranger or the Security Trustee may not be effected without the consent of the Facility Agent, the Arranger or the Security Trustee, as the case may be.

27.3 Exclusion of other or implied variations

Except for a document which satisfies the requirements of Clauses 27.1 and 27.2, no document, and no act, course of conduct, failure or neglect to act, delay or acquiescence on the part of the Creditor Parties or any of them (or any person acting on behalf of any of them) shall result in the Creditor Parties or any of them (or any person acting on behalf of any of them) being taken to have varied, waived, suspended or limited, or being precluded (permanently or temporarily) from enforcing, relying on or exercising:

(a) a provision of this Agreement or another Finance Document; or

(b) an Event of Default; or

(c) a breach by the Borrower or a Security Party of an obligation under a Finance Document or the general law; or

(d) any right or remedy conferred by any Finance Document or by the general law,

and there shall not be implied into any Finance Document any term or condition requiring any such provision to be enforced, or such right or remedy to be exercised, within a certain or reasonable time.

28 NOTICES

28.1 General

Unless otherwise specifically provided, any notice under or in connection with any Finance Document shall be given by letter or fax; and references in the Finance Documents to written notices, notices in writing and notices signed by particular persons shall be construed accordingly.

28.2 Addresses for communications

A notice shall be sent:

(a)	to the Borrower:	Capital Product Partners L.P c/o Capital Ship Management Corp. 3 lassonos Street 185 37 - Piraeus Greece Fax No: +30 210 4285 679 for the attention of the Chief Financial Officer
(b)	to a Lender:	at the address below its name in Schedule 1 or (as the case may require) in the relevant Transfer Certificate or the relevant Additional Lender's Certificate.
(c)	to the Swap Bank:	ING Bank N.V. Foppingadreef 7 PO Box 1800, NL-1000 BV Amsterdam The Netherlands Fax No: +31 20 501 3381 and (additionally) +31 20 501 3161 Attn: Operations/Derivatives/TRC 00.13, Financial Markets/Operations/Forex/Money Markets TRC 01.003 and Head of Legal Financial Markets
(d)	to the Facility Agent and Security Trustee:	ING Bank N.V., London Branch 60 London Wall London EC2M 5TQ England Fax No: +44 207 767 6522

or to such other address as the relevant party may notify the Facility Agent or, if the relevant party is the Facility Agent or the Security Trustee, the Borrower, the Lenders and the Security Parties.

28.3 Effective date of notices

Subject to Clauses 28.4 and 28.5:

(a) a notice which is delivered personally or posted shall be deemed to be served, and shall take effect, at the time when it is delivered; and

(b) a notice which is sent by fax shall be deemed to be served, and shall take effect, 2 hours after its transmission is completed.

28.4 Service outside business hours

However, if under Clause 28.3 a notice would be deemed to be served:

(a) on a day which is not a business day in the place of receipt; or

(b) on such a business day, but after 5 p.m. local time,

the notice shall (subject to Clause 28.5) be deemed to be served, and shall take effect, at 9 a.m. on the next day which is such a business day.

28.5 Illegible notices

Clauses 28.3 and 28.4 do not apply if the recipient of a notice notifies the sender within one hour after the time at which the notice would otherwise be deemed to be served that the notice has been received in a form which is illegible in a material respect.

28.6 Valid notices

A notice under or in connection with a Finance Document shall not be invalid by reason that its contents or the manner of serving it do not comply with the requirements of this Agreement or, where appropriate, any other Finance Document under which it is served if:

(a) the failure to serve it in accordance with the requirements of this Agreement or other Finance Document, as the case may be, has not caused any party to suffer any significant loss or prejudice; or

(b) in the case of incorrect and/or incomplete contents, it should have been reasonably clear to the party on which the notice was served what the correct or missing particulars should have been.

28.7 Electronic communication

Any communication to be made between the Facility Agent and a Lender or Swap Bank under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Facility Agent and the relevant Creditor Party:

(a) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

(b) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(c) notify each other of any change to their respective addresses or any other such information supplied to them.

Any electronic communication made between the Facility Agent and a Lender or the Swap Bank will be effective only when actually received in readable form and, in the case of any electronic communication made by a, Creditor Party to the Facility Agent, only if it is addressed in such a manner as the Facility Agent shall specify for this purpose.

28.8 English language

Any notice under or in connection with a Finance Document shall be in English.

28.9 Meaning of "notice"

In this Clause 28, "**notice**" includes any demand, consent, authorisation, approval, instruction, waiver or other communication.

29 SUPPLEMENTAL

29.1 Rights cumulative, non-exclusive

The rights and remedies which the Finance Documents give to each Creditor Party are:

(a) cumulative;

(b) may be exercised as often as appears expedient; and

(c) shall not, unless a Finance Document explicitly and specifically states so, be taken to exclude or limit any right or remedy conferred by any law.

29.2 Severability of provisions

If any provision of a Finance Document is or subsequently becomes void, unenforceable or illegal, that shall not affect the validity, enforceability or legality of the other provisions of that Finance Document or of the provisions of any other Finance Document.

29.3 Third party rights

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.

29.4 Benefit and binding effect

The terms of this Agreement shall be binding upon, and shall enure to the benefit of, the parties hereto and their respective (including subsequent) successors and permitted assigns and transferees.

30 LAW AND JURISDICTION

30.1 English law

This Agreement and any non-contractual obligation arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

30.2 Exclusive English jurisdiction

Subject to Clause 30.3, the courts of England shall have exclusive jurisdiction to settle any Dispute.

30.3 Choice of forum for the exclusive benefit of the Creditor Parties

Clause 30.2 is for the exclusive benefit of the Creditor Parties, each of which reserves the right:

(a) to commence proceedings in relation to any Dispute in the courts of any country other than England and which have or claim jurisdiction to that Dispute; and

(b) to commence such proceedings in the courts of any such country or countries concurrently with or in addition to proceedings in England or without commencing proceedings in England.

The Borrower shall not commence any proceedings in any country other than England in relation to a Dispute.

30.4 Process agent

The Borrower irrevocably appoints Curzon Maritime Ltd. at its office for the time being, presently at 30/33 Minories Street, St. Clare House, London EC3N 1DJ, England, to act as its agent to receive and accept on its behalf any process or other document relating to any proceedings in the English courts which are connected with a Dispute.

30.5 Creditor Party rights unaffected

Nothing in this Clause 30 shall exclude or limit any right which any Creditor Party may have (whether under the law of any country, an international convention or otherwise) with regard to the bringing of proceedings, the service of process, the recognition or enforcement of a judgment or any similar or related matter in any jurisdiction.

30.6 Meaning of "proceedings"

In this Clause 30, "**proceedings**" means proceedings of any kind, including an application for a provisional or protective measure and a "**Dispute**" means any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement) or any non-contractual obligation arising out of or in connection with this Agreement.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

LENDERS AND COMMITMENTS

Lender	Lending Office	Commitment ($)	Percentage of Total Commitments prior to the availability of the Increased Commitment (%)	Percentage of Total Commitments on the date of, and after, availability of the Increased Commitment pursuant to Clause 2.1(b) (%)
ING Bank N.V., London Branch	60 London Wall London EC2M 5TQ England	100,000,000	66.66	44.4444444444444
HSH Nordbank AG	Gerhart-Hauptmann-Platz 50 20095 Hamburg Germany	50,000,000	33.33	22.2222222222222
National Bank of Greece S.A.	2 Bouboulinas Str & Akti Miaouli 185 36 Piraeus Greece	25,000,000		11.1111111111111
Skandinaviska Enskilda Banken AB (publ)	Kungstrüdgärdsgatan 8 SE-106 40 Stockholm Sweden	50,000,000		22.2222222222222

SCHEDULE 2

DRAWDOWN NOTICE

To: ING BANK N.V., London Branch
60 London Wall
London EC2M 5TQ
England

Attention: [Loans Administration]

DRAWDOWN NOTICE

1 We refer to the loan agreement (as amended and restated on [—] 2013, the "**Loan Agreement**") dated [—] 2013 and made between us, as Borrower, the Lenders referred to therein, ING Bank N.V. as Swap Bank, yourselves and HSH Nordbank AG as Mandated Lead Arrangers and yourselves as Facility Agent and Security Trustee and in connection with a term loan facility of up to US$225,000,000 in aggregate. Terms defined in the Loan Agreement have their defined meanings when used in this Drawdown Notice.

2 We request to borrow an Advance under Tranche B as follows:

(a) Amount: US$[ ];

(b) Drawdown Date: [ ];

(c) Duration of the first Interest Period shall be [ ] months;

(d) Payment instructions: account of [ ] and numbered [ ] with [ ] of [ ].

3 We represent and warrant that:

(a) the representations and warranties in Clause 10 of the Loan Agreement would remain true and not misleading if repeated on the date of this notice with reference to the circumstances now existing; and

(b) no Event of Default or Potential Event of Default has occurred or will result from the borrowing of the Loan.

4 This notice cannot be revoked without the prior consent of the Majority Lenders.

5 [We authorise you to deduct any facility fees referred to in Clause 20.1 from the amount of the Advance].

Attorney-in-Fact
for and on behalf of
CAPITAL PRODUCT PARTNERS L.P.

SCHEDULE 3

CONDITIONS PRECEDENT DOCUMENTS

PART A

The following are the documents referred to in Clause 9.1(a) required before the date of the Deed of Amendment and Restatement.

1 A duly executed original of each of:

(a) the Deed of Amendment and Restatement;

(b) each Mortgage Addendum;

(c) the Guarantee Confirmations; and

(d) any Additional Transfer Certificates.

2 Copies of resolutions of the directors of the Borrower and the directors and shareholders of each Existing Owner authorising the execution of the Deed of Amendment and Restatement and, in the case of each Existing Owner, the Mortgage Addendum and the Guarantee Confirmation to which it is a party.

3 The original of any power of attorney under which the Deed of Amendment and Restatement, each Mortgage Addendum and each Guarantee Confirmation is executed on behalf of the Borrower or the applicable Existing Owner.

4 Copies of all consents which the Borrower or any Existing Owner requires to enter into the Deed of Amendment and Restatement and, in the case of the Existing Owners, the Mortgage Addendum and the Guarantee Confirmation to which each is a party.

5 Documentary evidence satisfactory to the Facility Agent that each Mortgage Addendum has been duly recorded against the relevant Existing Ship as a valid addendum to the Mortgage over that Existing Ship according to the laws of the applicable Approved Flag State.

6 Favourable legal opinions from lawyers appointed by the Facility Agent on such matters concerning the laws of the Marshall Islands, Liberia and such other relevant jurisdictions as the Facility Agent may require.

7 If the Facility Agent so requires, in respect of any of the documents referred to above, a certified English translation prepared by a translator approved by the Facility Agent.

PART B

The following are the documents referred to in Clause 9.1(b) required before the Drawdown Date of each Advance under Tranche B.

In Part B of Schedule 3, the following definitions shall have the following meanings:

"**Relevant Owner**" means the owner of the Relevant Ship; and

"**Relevant Ship**" means, in relation to each Advance under Tranche B, the Additional Ship in respect of such Advance.

1 Copies of resolutions of the shareholders and directors of each Relevant Owner and the Borrower authorising the execution of each of the Finance Documents to which such Owner

is a party and, in the case of the Borrower, approving the borrowing of the relevant Advance and authorising named directors or attorneys to give the Drawdown Notices and other notices under this Agreement.

2 The original of any power of attorney under which any Finance Document is executed on behalf of the Relevant Owner.

3 Copies of all consents which each Relevant Owner or the Borrower requires to enter into, or make any payment under, any Finance Document.

4 A duly executed original of the Guarantee of the Relevant Owner and of the Mortgage and the General Assignment relative to the Relevant Ship, the Owner's Earnings Account Pledge and of each document to be delivered pursuant to each such Finance Document.

5 A duly executed original of a Charterparty Assignment or, if applicable, a Bareboat Charter Security Agreement in respect of the Relevant Ship and of each document to be delivered pursuant to each such Finance Document.

6 Evidence satisfactory to the Facility Agent that the Relevant Owner is a direct or indirect wholly-owned subsidiary of the Borrower.

7 The originals of any documents required in connection with the opening of the Earnings Account in respect of the Relevant Ship.

8 Documentary evidence that:

(a) the Relevant Ship is registered in the ownership of the Relevant Owner under an Approved Flag;

(b) the Relevant Ship is in the absolute and unencumbered ownership of the Relevant Owner save as contemplated by the Finance Documents;

(c) the Relevant Ship maintains the highest available class with an Approved Classification Society as the Facility Agent may approve free of all overdue recommendations and conditions of such classification society;

(d) the Mortgage relating to the Relevant Ship has been duly registered or recorded against the Relevant Ship as a valid first preferred ship mortgage in accordance with the laws of the relevant Approved Flag State; and

(e) the Relevant Ship is insured in accordance with the provisions of this Agreement and all requirements therein in respect of insurances have been complied with.

9 A copy of the Management Agreement and a duly executed original of the Approved Manager's Undertaking in relation to the Relevant Ship.

10 Copies of:

(a) the document of compliance (DOC) and safety management certificate (SMC) referred to in paragraph (a) of the definition of the ISM Code Documentation in respect of the Relevant Ship and the Approved Manager certified as true and in effect by the Relevant Owner; and

(b) the ISPS Code Documentation in respect of the Relevant Ship and the Relevant Owner certified as true and in effect by the Relevant Owner.

11 Two valuations (at the cost of the Borrower) of the Relevant Ship, addressed to the Facility Agent, stated to be for the purposes of this Agreement and dated not earlier than 4 weeks before the Drawdown Date relative to the relevant Advance, each from an Approved Broker (such valuations to be made in accordance with Clause 15.4).

12 A survey report in respect of the Relevant Ship prepared (at the cost of the Borrower) by an independent marine surveyor appointed by the Facility Agent dated no later than 20 days prior to the Drawdown Date of the relevant Advance in form, scope and substance satisfactory to the Facility Agent and its technical advisers.

13 At the cost of the Borrower, a favourable opinion from an independent insurance consultant acceptable to the Lenders on such matters relating to the insurances for each Relevant Ship as the Facility Agent may require.

14 Favourable legal opinions from lawyers appointed by the Lender on such matters concerning the laws of the Approved Flag State in which the Relevant Ship is registered and such other relevant jurisdictions as the Facility Agent may require.

15 If the Facility Agent so requires, in respect of any of the documents referred to above, a certified English translation prepared by a translator approved by the Facility Agent.

Every copy document delivered under this Schedule shall be certified as a true and up to date copy by a director or the secretary (or equivalent officer) of the Borrower.

SCHEDULE 4

TRANSFER CERTIFICATE

The Transferor and the Transferee accept exclusive responsibility for ensuring that this Certificate and the transaction to which it relates comply with all legal and regulatory requirements applicable to them respectively.

To: **ING BANK N.V., London Branch** for itself and for and on behalf of the Borrower, each Security Party, the Security Trustee and each Lender, as defined in the Loan Agreement referred to below.

[ ] 201[ ]

1 This Certificate relates to a Loan Agreement (as amended and restated on [—] 2013, the "**Loan Agreement**") dated [—] 2013 and made between (1) Capital Product Partners L.P. (the "**Borrower**"), (2) the banks and financial institutions named therein, (3) ING Bank N.V. as Swap Bank, (4) ING Bank N.V., London Branch and HSH Nordbank AG as Mandated Lead Arrangers and (5) ING Bank N.V., London Branch as Facility Agent and Security Trustee and, for a term loan facility of up to US$225,000,000 in aggregate.

2 In this Certificate:

"**the Relevant Parties**" means the Facility Agent, the Borrower, [each Security Party], the Security Trustee, and each Lender;

"**the Transferor**" means [full name] of [lending office];

"**the Transferee**" means [full name] of [lending office].

Terms defined in the Loan Agreement shall, unless the contrary intention appears, have the same meanings when used in this Certificate.

3 The effective date of this Certificate is ……201[ ] **Provided that** this Certificate shall not come into effect unless it is signed by the Facility Agent on or before that date.

4 The Transferor assigns to the Transferee absolutely all rights and interests (present, future or contingent) which the Transferor has as Lender under or by virtue of the Loan Agreement and every other Finance Document in relation to [ ] per cent. of the Contribution outstanding to the Transferor (or its predecessors in title) which is set out below:

Contribution	**Amount transferred**

5 By virtue of this Transfer Certificate and Clause 26 of the Loan Agreement, the Transferor is discharged [entirely from its Commitment which amounts to $[ ]] [from [ ] per cent. of its Commitment, which percentage represents $[ ]] and the Transferee acquires a Commitment of $[ ].

6 The Transferee undertakes with the Transferor and each of the Relevant Parties that the Transferee will observe and perform all the obligations under the Finance Documents which Clause 26 of the Loan Agreement provides will become binding on it upon this Certificate taking effect.

7 The Facility Agent, at the request of the Transferee (which request is hereby made) accepts, for the Facility Agent itself and for and on behalf of every other Relevant Party, this Certificate as a Transfer Certificate taking effect in accordance with Clause 26 of the Loan Agreement.

8 The Transferor:

(a) warrants to the Transferee and each Relevant Party:

(i) that the Transferor has full capacity to enter into this transaction and has taken all corporate action and obtained all consents which are in connection with this transaction; and

(ii) that this Certificate is valid and binding as regards the Transferor;

(b) warrants to the Transferee that the Transferor is absolutely entitled, free of encumbrances, to all the rights and interests covered by the assignment in paragraph 4 above;

(c) undertakes with the Transferee that the Transferor will, at its own expense, execute any documents which the Transferee reasonably requests for perfecting in any relevant jurisdiction the Transferee's title under this Certificate or for a similar purpose.

9 The Transferee:

(a) confirms that it has received a copy of the Loan Agreement and each other Finance Document;

(b) agrees that it will have no rights of recourse on any ground against either the Transferor, the Facility Agent, the Security Trustee, any Lender in the event that:

(i) the Finance Documents prove to be invalid or ineffective,

(ii) the Borrower or any Security Party fails to observe or perform its obligations, or to discharge its liabilities, under the Finance Documents;

(iii) it proves impossible to realise any asset covered by a Security Interest created by a Finance Document, or the proceeds of such assets are insufficient to discharge the liabilities of the Borrower or Security Party under the Finance Documents;

(c) agrees that it will have no rights of recourse on any ground against the Facility Agent, the Security Trustee or any Lender in the event that this Certificate proves to be invalid or ineffective;

(d) warrants to the Transferor and each Relevant Party (i) that it has full capacity to enter into this transaction and has taken all corporate action and obtained all official consents which it needs to take or obtain in connection with this transaction; and (ii) that this Certificate is valid and binding as regards the Transferee; and

(e) confirms the accuracy of the administrative details set out below regarding the Transferee.

10 The Transferor and the Transferee each undertake with the Facility Agent and the Security Trustee severally, on demand, fully to indemnify the Facility Agent and/or the Security Trustee in respect of any claim, proceeding, liability or expense (including all legal expenses) which they or either of them may incur in connection with this Certificate or any matter arising out of it, except such as are shown to have been mainly and directly caused by the gross and culpable negligence or dishonesty of the Facility Agent's or the Security Trustee's own officers or employees.

11 The Transferee shall repay to the Transferor on demand so much of any sum paid by the Transferor under paragraph 10 above as exceeds one-half of the amount demanded by the Facility Agent or the Security Trustee in respect of a claim, proceeding, liability or expense which was not reasonably foreseeable at the date of this Certificate; but nothing in this paragraph shall affect the liability of each of the Transferor and the Transferee to the Facility Agent or the Security Trustee for the full amount demanded by it.

[Name of Transferor]	[Name of Transferee]
By:	By:
Date:	Date:

Facility Agent

Signed for itself and for and on behalf of itself as Facility Agent and for every other Relevant Party

ING Bank N.V., London Branch

By:

Date:

Administrative Details of Transferee

Name of Transferee:

Lending Office:

Contact Person
(Loan Administration Department):

Telephone:

Telex:

Fax:

Contact Person
(Credit Administration Department):

Telephone:

Telex:

Fax:

Account for payments:

Note: This Transfer Certificate alone may not be sufficient to transfer a proportionate share of the Transferor's interest in the security constituted by the Finance Documents in the Transferor's or Transferee's jurisdiction. It is the responsibility of each Lender to ascertain whether any other documents are required for this purpose.

SCHEDULE 5

DESIGNATION NOTICE

To: Capital Product Partners L.P.
c/o Capital Ship Management Corp.
3 lassonos Street
185 37 Piraeus
Greece

- and -

[—]

[—]

Dear Sirs

Loan Agreement dated [—] September 2013 (as amended and restated on [—] 2013) made between (inter alia) (i) yourselves as Borrower, (ii) the Lenders, (iii) ING Bank N.V., London Branch and HSH Nordbank AG as Mandated Lead Arrangers, (iv) ourselves as Swap Bank and (v) ING Bank N.V., London Branch as Facility Agent and Security Trustee in respect of a term loan facility of up to US$225,000,000 in aggregate (the "Loan Agreement")

We refer to:

1 the Loan Agreement;

2 the Master Agreement dated [—] made between ourselves and yourselves; and

3 a Confirmation delivered pursuant to the said Master Agreement dated [—] and addressed by [—] to us.

In accordance with the terms of the Loan Agreement, we hereby give you notice of the said Confirmation and hereby confirm that the Transaction evidenced by it will be designated as a "Designated Transaction" for the purposes of the Loan Agreement and the Finance Documents.

Yours faithfully,

for and on behalf of
ING BANK N.V.

SCHEDULE 6

FORM OF COMPLIANCE CERTIFICATE

To: ING BANK N.V., London Branch
60 London Wall
London EC2M 5TQ
England

From: Capital Product Partners L.P.

Dated: [—]

Dear Sirs

USD225,000,000 Loan Agreement
dated [—] September 2013 (as amended and restated on [—] 2013, the "Agreement")

1 We refer to the Agreement. This is a Compliance Certificate and attached hereto are the calculations which will provide evidence of compliance. Terms defined in the Agreement have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2 We refer to clauses 12.5 and 15.1 of the Agreement and hereby certify that:

(a) **Leverage Ratio**

Requirement: Leverage Ratio of not more than 72.50%.

Satisfied [YES] : [NO]

(b) **Minimum Liquidity**

Requirement: maintain on a consolidated basis liquidity in a minimum amount determined in accordance with Clause 12.5(c) of the Agreement.

Satisfied [YES] : [NO]

(c) **Interest Coverage**

Requirement: maintain a ratio of EBITDA to Net Interest Expenses on a trailing 4-quarter basis of not less than 2.00 to 1.00.

Satisfied [YES] : [NO]

(d) **Collateral Maintenance**

Requirement: Market Value of the Ships subject to a Mortgage is not less than 125% of the Loan.

Satisfied [YES] : [NO]

3 We confirm that no Event of Default is continuing and that no Event of Default would occur out of the distribution or dividend [made][to be made].[1*]

Chief Financial Officer

for and on behalf of
[*name of auditors of the Company*][2**]

1* If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

2** Only applicable if the Compliance Certificate accompanies the audited financial statements and is to be signed by the auditors. To be agreed with the Company's auditors prior to signing the Agreement.

SCHEDULE 7

POWER OF ATTORNEY

Know all men by these presents that [***name of Owner***] (the "**Company**"), a company incorporated in the [Liberia][Marshall Islands] and having its registered address at [80 Broad Street, Monrovia, Liberia][Ajeltake Road, Ajeltake Island, Majuro MH96960, The Marshall Islands] irrevocably and by way of security appoints ING Bank N.V., London Branch (the "**Attorney**") of 60 London Wall, London EC2M 5TQ, England its attorney, to act in the name of the Company and to exercise any right, entitlement or power of the Company in relation to [name of classification society] (the "**Classification Society**") and/or to the classification records of any vessel owned, controlled or operated by the Company including, without limitation, such powers or entitlement as the Company may have to inspect the class records and any files held by the Classification Society in relation to any such vessel and to require the Classification Society to provide to the Attorney or to any of its nominees any information, document or file which the Attorney may request

Ratification of actions of attorney. For the avoidance of doubt and without limiting the generality of the above, it is confirmed that the Company hereby ratifies any action which the Attorney takes or purports to take under this Power of Attorney and the Classification Society shall be entitled to rely hereon without further enquiry.

Delegation. The Attorney may exercise its powers hereunder through any officer or through any nominee and/or may sub-delegate to any person or persons (including a Receiver and persons designated by him) all or any of the powers (including the discretions) conferred on the Attorney hereunder, and may do so on terms authorising successive sub-delegations.

This Power of Attorney was executed by the Company as a Deed on **[*date*]**.]

EXECUTED as a **DEED** by)
[—])
acting by two directors or one director and the company)
secretary)

Director: _____

Director/Secretary: _____

SCHEDULE 8

ADDITIONAL LENDER'S CERTIFICATE

Each Existing Lender and the Additional Lender accept exclusive responsibility for ensuring that this Certificate and the transaction to which it relates comply with all legal and regulatory requirements applicable to them respectively.

To: **ING BANK N.V., London Branch** for itself and for and on behalf of the Borrower, each Security Party, the Security Trustee and each Lender, as defined in the Loan Agreement referred to below.

[ ] 200[ ]

1 This Certificate relates to a Loan Agreement (as amended and restated on [—] 2013, the "**Loan Agreement**") dated [—] 2013 and made between (1) Capital Product Partners L.P. (the "**Borrower**"), (2) the banks and financial institutions named therein, (3) ING Bank N.V. as Swap Bank, (4) ING Bank N.V., London Branch and HSH Nordbank AG as Mandated Lead Arrangers and (5) ING Bank N.V., London Branch as Facility Agent and Security Trustee and, for a term loan facility of up to US$225,000,000 in aggregate.

2 In this Certificate:

"**the Relevant Parties**" means the Facility Agent, the Borrower, [each Security Party], the Security Trustee, and each Lender;

"**the Existing Lenders**" means [full name] of [lending office] and [full name] of [lending office];

"**the Additional Lender**" means [full name] of [lending office].

Terms defined in the Loan Agreement shall, unless the contrary intention appears, have the same meanings when used in this Certificate.

3 The effective date of this Certificate is .....201[ ] **Provided that** this Certificate shall not come into effect unless it is signed by the Facility Agent on or before that date.

4. The Additional Lender agrees to become a party to the Loan Agreement and the Agency and Trust Agreement, in each case, as a Lender, to assume the same rights and obligations as the Existing Lenders thereunder and to be bound by their respective terms.

5. Subject to the provisions of the Loan Agreement, the Additional Lender agrees to make available to the Borrower its Commitment a proportion of which shall be used on the Increased Commitment Date to acquire part of each Existing Lender's Contribution as set out in paragraph 6 below.

6. Each Existing Lender assigns to the Additional Lender absolutely all rights and interests (present, future or contingent) which each Existing Lender has as Lender under or by virtue of the Loan Agreement and every other Finance Document in relation to [ ] per cent. of the Contribution outstanding to that Existing Lender (or its predecessors in title) which is set out below:

Contribution	**Amount transferred**
ING Bank N.V., London Branch $[—]	$ [—]
HSH Nordbank AG $[—]	$ [—]

7. By virtue of this Additional Lender's Certificate and Clause 2.1(b) of the Loan Agreement, and following the reduction of the existing Contributions pursuant to paragraph 6 above, each Existing Lender's remaining Commitment shall be increased by an amount equal to the Contribution assigned by that Existing Lender to the Additional Lender on the same date.

8. The Additional Lender undertakes with each Existing Lender and each of the Relevant Parties it will observe and perform all the obligations under the Finance Documents which Clause 2 of the Loan Agreement provides will become binding on it upon this Certificate taking effect.

9. The Facility Agent, at the request of the Additional Lender (which request is hereby made) accepts, for the Facility Agent itself and for and on behalf of every other Relevant Party, this Certificate as the Additional Lender's Certificate taking effect in accordance with Clause 2 of the Loan Agreement.

10. Each Existing Lender:

(a) warrants to the Additional Lender and each Relevant Party:

(i) that it has full capacity to enter into this transaction and has taken all corporate action and obtained all consents which are in connection with this transaction; and

(ii) that this Certificate is valid and binding as regards that Existing Lender;

(b) warrants to the Additional Lender that it is absolutely entitled, free of encumbrances, to all the rights and interests covered by the assignment in paragraph 6 above.

11. The Additional Lender:

(a) confirms that it has received a copy of the Loan Agreement and each other Finance Document;

(b) agrees, subject to the provisions of the Loan Agreement, to make available its Commitment;

(c) agrees that it will have no rights of recourse on any ground against either Existing Lender, the Facility Agent or the Security Trustee in the event that:

(i) the Finance Documents prove to be invalid or ineffective,

(ii) the Borrower or any Security Party fails to observe or perform its obligations, or to discharge its liabilities, under the Finance Documents;

(iii) it proves impossible to realise any asset covered by a Security Interest created by a Finance Document, or the proceeds of such assets are insufficient to discharge the liabilities of the Borrower or Security Party under the Finance Documents;

(d) agrees to fully indemnify each Existing Lender on its demand in respect of any breakage costs incurred by that Existing Lender if the Increased Commitment Date is not a date falling on the last day of an Interest Period or a Drawdown Date.

(e) agrees that it will have no rights of recourse on any ground against the Facility Agent, the Security Trustee or any Lender in the event that this Certificate proves to be invalid or ineffective;

(f) warrants to each Existing Lender and each Relevant Party (i) that it has full capacity to enter into this transaction and has taken all corporate action and obtained all official consents which it needs to take or obtain in connection with this transaction; and (ii) that this Certificate is valid and binding as regards the Additional Lender; and

(g) confirms the accuracy of the administrative details set out below regarding the Additional Lender.

12 Each Existing Lender and the Additional Lender each undertake with the Facility Agent and the Security Trustee severally, on demand, fully to indemnify the Facility Agent and/or the Security Trustee in respect of any claim, proceeding, liability or expense (including all legal expenses) which they or any of them may incur in connection with this Certificate or any matter arising out of it, except such as are shown to have been mainly and directly caused by the gross and culpable negligence or dishonesty of the Facility Agent's or the Security Trustee's own officers or employees.

13. The Additional Lender shall repay to each Existing Lender on demand so much of any sum paid by that Existing Lender under paragraph 12 above as exceeds one-half of the amount demanded by the Facility Agent or the Security Trustee in respect of a claim, proceeding, liability or expense which was not reasonably foreseeable at the date of this Certificate; but nothing in this paragraph shall affect the liability of each of the Existing Lenders and the Additional Lender to the Facility Agent or the Security Trustee for the full amount demanded by it.

[Name of Existing Lenders] [Name of Additional Lender]

By: By:

Date: Date:

[Name of Existing Lenders]

By:

Date:

Facility Agent

Signed for itself and for and on behalf of itself
as Facility Agent and for every other Relevant Party

ING Bank N.V., London Branch

By:

Date:

EXECUTION PAGES

BORROWER

SIGNED by Lilian Kouleri	)	
for and on behalf of	)	/s/ Lilian Kouleri
CAPITAL PRODUCT PARTNERS L.P.	)	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

LENDERS

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
ING BANK N.V., LONDON BRANCH	)	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
HSH NORDBANK AG	)	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

SWAP BANK

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
ING BANK N.V.	)	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
ING BANK N.V., LONDON BRANCH	)	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
HSH NORDBANK AG	)	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

FACILITY AGENT

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
ING BANK N.V., LONDON BRANCH	**)**	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

SECURITY TRUSTEE

SIGNED by Daphne Elektra A. Stamatopoulos	)	
for and on behalf of	)	/s/ Daphne Elektra A. Stamatopoulos
ING BANK N.V., LONDON BRANCH	**)**	
in the presence of /s/ Ileana-Emmanouela Loudarou	)	

Exhibit 4.32

AMENDED AND RESTATED MANAGEMENT AGREEMENT

This Amended and Restated Management Agreement dated as of the 9th day of May 2013, is entered into by and between CAPITAL PRODUCT PARTNERS L.P., a limited partnership duly organized and existing under the laws of the Marshall Islands with its registered office at 3 Iassonos Street, Piraeus, 18537, Greece, ("CLP") and CAPITAL SHIP MANAGEMENT CORP., a company duly organized and existing under the laws of Panama with its registered office at Hong Kong Bank building, 6th floor, Samuel Lewis Avenue, Panama, and a representative office established in Greece at 3, Iassonos Street, Piraeus Greece ("CSM") and amends and restates in its entirety the Management Agreement by and between CLP and CSM dated April 3, 2007, as amended.

WHEREAS:

A. CLP, a limited partnership whose units trade on the Nasdaq Global Market, owns vessels and requires certain commercial and technical management services for the operation of its fleet; and

B. CLP wishes to engage CSM to provide such commercial and technical management services to CLP on the terms set out herein.

NOW THEREFORE, the parties agree that, in consideration of the fees set forth in Schedule "B" to this Agreement (the "Fees") and, if applicable, the Extraordinary Fees and Costs set forth in Schedule "C" to this Agreement, and subject to the Terms and Conditions attached hereto, CSM shall provide the commercial and technical management services set forth in Schedule "A" to this Agreement (the "Services").

IN WITNESS WHEREOF the Parties have executed this Agreement by their duly authorized signatories with effect on the date first above written.

CAPITAL PRODUCT PARTNERS L.P. BY ITS
GENERAL PARTNER, CAPITAL GP L.L.C.,

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and
Chief Financial Officer of Capital GP L.L.C

CAPITAL SHIP MANAGEMENT CORP.,

By: /s/ Nikolaos Syntychakis
Name: Nikolaos Syntychakis
Title: Managing Director

ARTICLE I

TERMS AND CONDITIONS

Section 1. Definitions. In this Agreement, the term:

"Additional Vessels" means vessels not in the ownership of CLP on the date of this Agreement that CLP may subsequently purchase to be managed by CSM under the Fee structure described herein at the election of CLP. For the purposes of this Agreement, any such Additional Vessels to be managed by CSM under the terms of this Agreement shall also be referred to herein as Vessels.

"Change of Control" means with respect to any entity, an event in which securities of any class entitling the holders thereof to elect a majority of the members of the board of directors or other similar governing body of the entity are acquired, directly or indirectly, by a "person" or "group" (within the meaning of Sections 13(d) or 14(d)(2) of the Exchange Act), who did not immediately before such acquisition own securities of the entity entitling such person or group to elect such majority (and for the purpose of this definition, any such securities held by another person who is related to such person shall be deemed to be owned by such person);

"Extraordinary Fees and Costs" means the fees and costs listed in Schedule "C" to this Agreement.

"CGP" means Capital GP L.L.C., a Marshall Islands limited liability company that is the general partner of CLP;

"CLP Group" means CLP, CGP and subsidiaries of CLP;

"Vessels" means all vessels set out in Schedule "B" to this Agreement as of the date hereof and any Additional Vessels.

Section 2. General. CSM shall provide the Services, in a commercially reasonable manner, as CLP, may from time to time direct, all under the supervision of CLP, as represented by CGP in its capacity as the general partner of CLP. CSM shall perform the Services to be provided hereunder in accordance with customary ship management practice and with the care, diligence and skill that a prudent manager of vessels such as the Vessels would possess and exercise.

Section 3. Covenants. During the term of this Agreement CSM shall:

(i) diligently provide or subcontract for the provision of (in accordance with Section 18 hereof) the Services to CLP as an independent contractor, and be responsible to CLP for the due and proper performance of same;

(ii) retain at all times a qualified staff so as to maintain a level of expertise sufficient to provide the Services; and

(iii) keep full and proper books, records and accounts showing clearly all transactions relating to its provision of Services in accordance with established general commercial practices and in accordance with United States generally accepted accounting principles.

Section 4. Non-exclusivity. CSM and its employees may provide services of a nature similar to the Services to any other person. There is no obligation for CSM to provide the Services to CLP on an exclusive basis.

Section 5. Confidential Information. CSM shall be obligated to keep confidential, both during and after the term of this Agreement, all information it has acquired or developed in the course of providing Services under this Agreement. CLP shall be entitled to any equitable remedy available at law or equity, including specific performance, against a breach by CSM of this obligation. CSM shall not resist such application for relief on the basis that CLP has an adequate remedy at law, and CSM shall waive any requirement for the securing or posting of any bond in connection with such remedy.

Section 6. Service Fees.

(i) In consideration for CSM providing the Services, CLP shall pay:. CSM a fixed daily fee, in the amount set out next to the name of each Vessel in Schedule "B" and, if applicable, the Extraordinary Fees and Costs. Schedule "B" shall be amended and restated from time to time to include the applicable Fees for each Additional Vessel, which Fee shall be negotiated on a vessel-by-vessel basis.

(ii) Within 30 days after the end of each month, CSM shall submit to CLP for payment an invoice for reimbursement of all Extraordinary Fees and Costs incurred by CSM in connection with the provision of the Services under the Agreement for such month. Each statement will contain such supporting detail as may be reasonably required to validate such amounts due. CLP shall make payment within 30 days of the date of each invoice (any such day on which a payment is due, the "Due Date"). All invoices for Services are payable in U.S. dollars. All amounts not paid within 10 days after the Due Date shall bear interest at the rate of 1.00% per annum over US$ LIBOR from such Due Date until the date payment is received in full by CSM.

Section 7. General Relationship Between The Parties. The relationship between the parties is that of independent contractor. The parties to this Agreement do not intend, and nothing herein shall be interpreted so as, to create a partnership, joint venture, employee or agency relationship between CSM and any one or more of CLP, CGP in its capacity as general partner on behalf of CLP or any member of the CLP Group.

Section 8. Force Majeure and Indemnity.

(i) Neither CLP nor CSM shall be under any liability for any failure to perform any of their obligations hereunder by reason of any cause whatsoever of any nature or kind beyond their reasonable control.

(ii) CSM shall be under no liability whatsoever to CLP for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect, (including but not limited to loss of profit arising out of or in

connection with detention of or delay to the Vessels or Additional Vessels) and howsoever arising in the course of performance of the Services UNLESS and to the extent that such loss, damage, delay or expense is proved to have resulted solely from the fraud, gross negligence or willful misconduct of CSM or their employees in connection with the Vessels, in which case (save where such loss, damage, delay or expense has resulted from CSM's personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result) CSM's liability for each incident or series of incidents giving rise to a claim or claims shall never exceed a total of US$3,000,000.

(iii) Notwithstanding anything that may appear to the contrary in this Agreement, CSM shall not be responsible for any of the actions of the crew of the Vessels even if such actions are negligent, grossly negligent or willful.

(iv) CLP shall indemnify and hold harmless CSM and its employees and agents against all actions, proceedings, claims, demands or liabilities which may be brought against them arising out of, relating to or based upon this Agreement including, without limitation, all actions, proceedings, claims, demands or liabilities brought under or relating to the environmental laws, regulations or conventions of any jurisdiction ("Environmental Laws"), or otherwise relating to pollution or the environment, and against and in respect of all costs and expenses (including legal costs and expenses on a full indemnity basis) they may suffer or incur due to defending or settling same, provided however that such indemnity shall exclude any or all losses, actions, proceedings, claims, demands, costs, damages, expenses and liabilities whatsoever which may be caused by or due to (A) the fraud, gross negligence or willful misconduct of CSM or its employees or agents, or (B) any breach of this Agreement by CSM.

(v) Without prejudice to the general indemnity set out in this Section, CLP hereby undertakes to indemnify CSM, their employees, agents and sub-contractors against all taxes, imposts and duties levied by any government as a result of the operations of CLP or the Vessels, whether or not such taxes, imposts and duties are levied on CLP or CSM. For the avoidance of doubt, such indemnity shall not apply to taxes imposed on amounts paid to CSM as consideration for the performance of Services for CLP. CLP shall pay all taxes, dues or fines imposed on the Vessels or CSM as a result of the operation of the Vessels.

(vi) It is hereby expressly agreed that no employee or agent of CSM (including any sub-contractor from time to time employed by CSM and the employees of such sub-contractors) shall in any circumstances whatsoever be under any liability whatsoever to CLP for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on his part while acting in the course of or in connection with his employment and, without prejudice to the generality of the foregoing provisions in this Section, every

exemption, limitation, condition and liberty herein contained and every right, exemption from liability, defense and immunity of whatsoever nature applicable to CSM or to which CSM are entitled hereunder shall also be available and shall extend to protect every such employee or agent of CSM acting as aforesaid.

(vii) CLP acknowledges that it is aware that CSM is unable to confirm that the Vessels, their systems, equipment and machinery are free from defects, and agrees that CSM shall not under any circumstances be liable for any losses, costs, claims, liabilities and expenses which CLP may suffer or incur resulting from pre-existing or latent deficiencies in the Vessels, their systems, equipment and machinery.

The provisions of this Section 8 shall remain in force notwithstanding termination of this Agreement.

Section 9. Term And Termination. With respect to each of the Vessels, this Agreement shall commence from the date on which each Vessel is acquired by CLP, and will continue for approximately five years or for any other period agreed between CLP and the CSM as set out in Schedule "D" to this Agreement, unless terminated by either party hereto on not less than one hundred and twenty (120) days notice if:

(a) in the case of CLP, there is a Change of Control of CSM and in the case of CSM, if there is a Change of Control of CGP;

(b) in the case of CSM and at the election of CSM, there is a Change of Control of CLP;

(c) the other party breaches this Agreement;

(d) a receiver is appointed for all or substantially all of the property of the other party;

(e) an order is made to wind-up the other party;

(f) a final judgment, order or decree which materially and adversely affects the ability of the other party to perform this Agreement shall have been obtained or entered against that party and such judgment, order or decree shall not have been vacated, discharged or stayed; or

(g) the other party makes a general assignment for the benefit of its creditors, files a petition in bankruptcy or for liquidation, is adjudged insolvent or bankrupt, commences any proceeding for a reorganization or arrangement of debts, dissolution or liquidation under any law or statute or of any jurisdiction applicable thereto or if any such proceeding shall be commenced.

The approximate termination date of this Agreement with respect to each of the Vessels is set out in Schedule "D" to this Agreement (the "Date of Termination"). Upon the purchase of each Additional Vessel, Schedule "D" to this Agreement shall be amended and restated to include the relevant Date of Termination for such Additional Vessel. This Agreement shall be deemed to be terminated with respect to a particular Vessel in the case of the sale of such

Vessel or if such Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss or is requisitioned. Notwithstanding such deemed termination, any Fees outstanding at the time of the sale or loss shall be paid in accordance with the provisions of this Agreement.

For the purpose of this clause:

(i) the date upon which a Vessel is to be treated as having been sold or otherwise disposed of shall be the date on which CLP ceases to be the legal owner of the Vessel, or the Vessel owning company, as the case may be;

(ii) a Vessel shall not be deemed to be lost until either she has become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred or the Vessel's owners issue a notice of abandonment to the underwriters.

The termination of this Agreement shall be without prejudice to all rights accrued due between the parties prior to the date of termination.

Section 10. Fees Upon Termination with respect to a Vessel. Upon termination of this Agreement, the Fee shall be adjusted with respect to a Vessel as at the effective date of termination of this Agreement, based on the Fees set forth in Schedule "B". Any overpayment shall forthwith be refunded to CLP and any underpayment shall forthwith be paid to CSM.

Section 11. Surrender Of Books And Records. Upon termination of this Agreement, CSM shall forthwith surrender to CLP any and all books, records, documents and other property in the possession or control of CSM relating to this Agreement and to the business, finance, technology, trademarks or affairs of CLP and any member of the CLP Group and, except as required by law, shall not retain any copies of same.

Section 12. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and (in relation to such subject matter) supersedes and replaces all prior understandings and agreements, written or oral, between the parties.

Section 13. Amendments to Agreement. CSM reserves the right to make such changes to this Agreement as it shall consider necessary to take account of regulatory changes which come into force after the date hereof and which affect the operation of the Vessels. Such changes will be intimated in writing to CLP and will come into force on intimation or on the date on which such regulatory or other changes come into effect (whichever shall be the later).

Section 14. Severability. If any provision herein is held to be void or unenforceable, the validity and enforceability of the remaining provisions herein shall remain unaffected and enforceable.

Section 15. Currency. Unless stated otherwise, all currency references herein are to United States Dollars.

Section 16. Law And Arbitration. This Agreement shall be governed by the laws of England. Any dispute under this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment then in force. The arbitration shall be conducted in accordance with the London Maritime Arbitrators' (LMAA) Terms current at the time when the arbitration is commenced.

Save as after mentioned, the reference shall be to three arbitrators, one to be appointed by each party and the third by the two arbitrators so appointed. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment to the other party requiring the other party to appoint its arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 calendar days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 calendar days specified, the party referring the dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be as binding as if he had been appointed by agreement.

In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

Section 17. Notice. Notice under this Agreement shall be given (via hand delivery or facsimile) as follows:

If to CLP:

3 Iassonos Street
Piraeus, 18537, Greece
Attn: Ioannis E. Lazaridis
Fax: +30 210 428 4285

If to CSM:

3 Iassonos Street
Piraeus, 18537, Greece
Attn: Capital Ship Management
Fax: +30 210 428 4285

Section 18. Subcontracting And Assignment. CSM shall not assign this Agreement to any party that is not a subsidiary or affiliate of CSM except upon written consent of CLP. CSM may freely sub-contract and sub-license this Agreement to any party, so long as CSM remains liable for performance of the Services and its other obligations under this Agreement.

Section 19. Waiver. The failure of either party to enforce any term of this Agreement shall not act as a waiver. Any waiver must be specifically stated as such in writing.

Section 20. Affiliates. This Agreement shall be binding upon and inure to the benefit of the affiliates of CLP and/or CSM.

Section 21. Counterparts. This Agreement may be executed in one or more signed counterparts, facsimile or otherwise, which shall together form one instrument.

SCHEDULE A

SERVICES

CSM shall provide such of the following commercial and technical management services (the "Services") to CLP, as CGP may from time to time request and direct CSM to:

(1) Negotiating on behalf of CLP time charters, bareboat charters, voyage charters and other employment contracts with respect to the Vessels and monitor payments thereunder;

(2) Exercising of due diligence to:

(i) maintain and preserve each Vessel and her equipment in full compliance with applicable rules and regulations, including Environmental Laws, good condition, running order and repair, so that each Vessel shall be, insofar as due diligence can make her in every respect seaworthy and in good operating condition;

(ii) keep each Vessel in such condition as will entitle her to the highest classification and rating from the classification society chosen by her owner or charter for vessels of the class, age and type;

(iii) prepare and obtain all necessary approvals for a shipboard oil pollution emergency plan (SOPEP) in a form approved by the Marine Environment Protection Committee of the International Maritime Organisation pursuant to the requirements of Regulation 26 of Annex I of the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto, as amended (MARPOL 73/78), and provide assistance with respect to such other documentation and record-keeping requirements pursuant to applicable Environmental Laws;

(iv) arrange for the preparation, filing and updating of a contingency Vessel Response Plan in accordance with the requirements of the U.S. Oil Pollution Act of 1990 as amended ("OPA"), and instruct the crew in all aspects of the operation of such plan;

(v) inform CLP promptly of any major release or discharge of oil or other hazardous material in compliance with law and identify and ensure the availability by contract or otherwise of a Qualified Individual, a Spill Management Team, an Oil Spill Removal Organisation (as such terms are defined by applicable Environmental Laws), and any other individual or entity required by Environmental Laws, resources having salvage, firefighting, lightering and, if applicable, dispersant capabilities, and public relations/media personnel to assist CLP to deal with the media in the event of discharges of oil;

(vi) arrange and procure for the vetting of the Vessels and CLP or CSM by major charterers and arranging and attending relevant inspections of the Vessels, including pre-vetting inspections, or visits at the premises of CSM up to a maximum number of five inspection visits per Vessel per year to be attended by CSM, with additional visits to be for the account of CLP; and

(vii) provide copies of any vessel inspection reports, valuations, surveys or similar reports upon request.

CSM is expressly authorized as agents for CLP to enter into such arrangements by contract or otherwise as are required to ensure the availability of the Services outlined above. CSM is further expressly authorized as agents for CLP to enter into such other arrangements as may from time to time be necessary to satisfy the requirements of OPA or other Federal or State laws.

(3) Storing, victualing and supplying of each Vessel and the arranging for the purchase of certain day to day stores, supplies and parts;

(4) Procuring and arrangement for port entrance and clearance, pilots, vessel agents, consular approvals, and other services necessary or desirable for the management and safe operation of each Vessel;

(5) Preparing, issuing or causing to be issued to shippers the customary freight contract, cargo receipts and/or bills of lading;

(6) Performance of all usual and customary duties concerned with the loading and discharging of cargoes at all ports;

(7) Naming of vessel agents for the transaction of each Vessel’s business;

(8) Arrangement and retention in full force and effect of all customary insurance pertaining to each Vessel as instructed by the owner or charterer and all such policies of insurance, including but not limited to protection and indemnity, hull and machinery, war risk and oil pollution covering each Vessel; if requested by the owner or charterer, making application for certificates of financial responsibility on behalf of the Vessels covered hereunder;

(9) Adjustment and the negotiating of settlements, with or on behalf of claimants or underwriters, of any claim, damages for which are recoverable under policies of insurance;

(10) If requested, provide CLP with technical assistance in connection with any sale of any Vessel. CSM will, if requested in writing by CLP, comment on the terms of any proposed Memorandum of Agreement, but CLP will remain solely responsible for agreeing the terms of any Memorandum of Agreement regulating any sale;

(11) Arrangement or the prompt dispatch of each Vessel from loading and discharging ports and for transit through canals;

(12) Arrangement for employment of counsel, and the investigation, follow-up and negotiating of the settlement of all claims arising in connection with the operation of each Vessel; it being understood that CLP will be responsible for the payment of such counsel's fees and expenses;

(13) Arrangement for the appointment of an adjuster and assistance in preparing the average account, taking proper security for the cargo's and freight's proportion of average, and in all ways reasonably possible protecting the interest of each Vessel and her owner; it being understood that CLP will be responsible for the payment of such adjuster's fees and expenses;

(14) Arrangement for the appointment of surveyors and technical consultants as necessary; it being understood that CLP will be responsible for the payment of such surveyor's or technical consultant's fees and expenses outside the ordinary course of business;

(15) Negotiating of the settlement of insurance claims of Vessel owner's or charterer's protection and indemnity insurance and the arranging for the making of disbursements accordingly for owner's or charterer's account; CLP shall arrange for the provision of any necessary guarantee bond or other security;

(16) Attendance to all matters involving each Vessel's crew, including, but not limited to, the following:

(i) arranging for the procurement and enlistment for each Vessel, as required by applicable law, of competent, reliable and duly licensed personnel (hereinafter referred to as "crew members") in accordance with the requirements of International Maritime Organisation Convention on Standards of Training Certification and Watchkeeping for Seafarers 1978 and as subsequently amended, and all replacements therefore as from time to time may be required;

(ii) arranging for all transportation, board and lodging for the crew members as and when required at rates and types of accommodations as customary in the industry;

(iii) keeping and maintaining full and complete records of any labour agreements which may be entered into between owner or disponent owner and the crew members and the prompt reporting to owner or disponent owner as soon as notice or knowledge thereof is received of any change or proposed change in labour agreements or other regulations relating to the master and the crew members;

(iv) negotiating the settlement and payment of all wages with the crew members during the course of and upon termination of their employment;

(v) the handling of all details and negotiating the settlement of any and all claims of the crew members including, but not limited to, those arising out of accidents, sickness, or death, loss of personal effects, disputes under articles or contracts of enlistment, policies of insurance and fines;

(vi) keeping and maintaining all administrative and financial records relating to the crew members as required by law, labour agreements, owner or charterer, and rendering to owner or charterer any and all reports when, as and in such form as requested by owner or charterer;

(vii) the performance of any other function in connection with crew members as may be requested by owner or charterer; and

(viii) negotiating with unions, if required.

(17) Payment of all charges incurred in connection with the management of each Vessel, including, but not limited to, the cost of the items listed in (2) to (16) above, canal tolls, repair charges and port charges, and any amounts due to any governmental agency with respect to the Vessel crews;

(18) In such form and on such terms as may be requested by CLP, the prompt reporting to CLP of each Vessel's movement, position at sea, arrival and departure dates, casualties and damages received or caused by each Vessel;

(19) In case any of the Vessels is employed under a voyage charter, CLP shall pay for all voyage related expenses (including bunkers, canal tolls and port dues) and CSM shall arrange for the provision of bunker fuel of the quality agreed with CLP as required for any Vessel's trade. CSM shall be entitled to order bunker fuel through such brokers or suppliers as CSM deem appropriate unless CLP instruct CSM to utilize a particular supplier which CSM will be obliged to do provided that CLP have made prior credit arrangements with such supplier. CLP shall comply with the terms of any credit arrangements made by CSM on their behalf;

(20) CSM shall not in any circumstances have any liability for any bunkers which do not meet the required specification. CSM will, however, take such action, on behalf of CLP, against the supplier of the bunkers, as is agreed with CLP.

(21) Except as provided in paragraph (22) below, CSM shall make arrangements as instructed by the Classification Society of each Vessel for the intermediate and special survey of each Vessel and all costs in connection with passing such surveys (including dry-docking) and satisfactory compliance with class requirements will be borne by CSM.

(22) CSM shall make arrangements as instructed by the respective Classification Societies of the Amore Mio II, the Aristofanis, the Agamemnon II, the Ayrton II and the Alkiviadis for the next scheduled intermediate or special survey of each Vessel, following its acquisition by CLP, as applicable, and all costs in connection with passing such survey (including dry-docking) and satisfactory compliance with class requirements will be borne by CSM.

SCHEDULE B

FEES

Vessel Name	Daily Fee in US$
Atlantas	500*
Aktoras	500*
Axios	5,500
Aiolos	500*
Avax	5,500
Akeraios	5,500
Anemos I	5,500
Apostolos	5,500
Alexandros II	250
Aristotelis II	250
Aris II	250
Attikos	5,500
Amore Mio II	8,500
Aristofanis	5,500
Agamemnon II	6,500
Ayrton II	6,500
El Pipila (ex Atrotos)	3,575 (3,075 Arrendadora Management Fee + 500 CLP Management Fee)
Alkiviadis	7,000
Insurgentes (ex Assos)	3,575 (3,075 Arrendadora Management Fee + 500 CLP Management Fee)

* subject to continuation of the Vessel's charter

SCHEDULE C

EXTRAORDINARY FEES AND COSTS

Notwithstanding anything to the contrary in this Agreement, CSM will not be responsible for paying any costs liabilities and expenses in respect of a Vessel, to the extent that such costs, liabilities and expenses are “extraordinary”, which shall consist of the following:

(1) repairs, refurbishment or modifications, including those not covered by the guarantee of the shipbuilder or by the insurance covering the Vessels, resulting from maritime accidents, collisions, other accidental damage or unforeseen events (except to the extent that such accidents, collisions, damage or events are due to the fraud, gross negligence or wilfull misconduct of CSM, its employees or its agents, unless and to the extent otherwise covered by insurance). CSM shall be entitled to receive additional remuneration for time (charged at the rate of US$750 per man per day of 8 hours) for any time that the personnel of CSM will spend on attendance on any Vessel in connection with matters set out this subsection (1). In addition CLP will pay any reasonable travel and accommodation expenses of the CSM personnel incurred in connection with such additional time spent.

(2) any improvement, upgrade or modification to, structural changes with respect to the installation of new equipment aboard any Vessel that results from a change in, an introduction of new, or a change in the interpretation of, applicable laws, at the recommendation of the classification society for that Vessel or otherwise.

(3) any increase in crew employment expenses resulting from an introduction of new, or a change in the interpretation of, applicable laws or resulting from the early termination of the charter of any Vessel;

(4) CSM shall be entitled to receive additional remuneration for time spent on the insurance, average and salvage claims (charged at the rate of US$800 per man per day of 8 hours) in respect of the preparation and prosecution of claims, the supervision of repairs and the provision of documentation relating to adjustments).

(5) CSM shall be entitled to receive additional remuneration for time (charged at the rate of US$750 per man per day of 8 hours) for any time of over 10 days per year that the personnel of CSM will spend during vetting inspections and attendance on the Vessels in connection with the pre-vetting and vetting of the Vessels by any charterers. In addition CLP will pay any reasonable travel and accommodation expenses of the CSM personnel incurred in connection with such additional time spent.

(6) CLP shall pay the deductible of any insurance claims relating to the Vessels or for any claims that are within such deductible range.

(7) CLP shall pay any significant increase in insurance premiums which are due to factors such as “acts of God” outside of the control of CSM.

(8) CLP shall pay any tax, dues or fines imposed on the Vessels or CSM due to the operation of the Vessels.

(9) CLP shall pay for any expenses incurred in connection with the sale or acquisition of a Vessel, such as in connection with inspections and technical assistance.

(10) CLP shall pay for any similar costs, liabilities and expenses that were not reasonably contemplated by CLP and CSM as being encompassed by or a component of the Fees at the time the Fees were determined.

SCHEDULE D

DATE OF TERMINATION

Vessel Name	Expected Termination Date
Atlantas	Mar 2016*
Aktoras	Mar 2016*
Alexandros II	December 2017-March 2018
Aristotelis II	March-June 2018
Aris II	May-August 2018
Amore Mio II	November 2013
Agamemnon II	October 2013
Ayrton II	March 2014
El Pipila (ex Atrotos)	March 2014
Alkiviadis	June 2015
Insurgentes (ex Assos)	March 2014

* subject to continuation of the Vessel's charter

Exhibit 4.33

AMENDED AND RESTATED MANAGEMENT AGREEMENT

This Amended and Restated Management Agreement dated as of the 30th day of November 2013, is entered into by and between CAPITAL PRODUCT PARTNERS L.P., a limited partnership duly organized and existing under the laws of the Marshall Islands with its registered office at 3 Iassonos Street, Piraeus, 18537, Greece, ("CLP") and CAPITAL SHIP MANAGEMENT CORP., a company duly organized and existing under the laws of Panama with its registered office at Hong Kong Bank building, 6th floor, Samuel Lewis Avenue, Panama, and a representative office established in Greece at 3, Iassonos Street, Piraeus Greece ("CSM") and amends and restates in its entirety the Management Agreement by and between CLP and CSM dated April 3, 2007, as amended.

WHEREAS:

A. CLP, a limited partnership whose units trade on the Nasdaq Global Market, owns vessels and requires certain commercial and technical management services for the operation of its fleet; and

B. CLP wishes to engage CSM to provide such commercial and technical management services to CLP on the terms set out herein.

NOW THEREFORE, the parties agree that, in consideration of the fees set forth in Schedule "B" to this Agreement (the "Fees") and, if applicable, the Extraordinary Fees and Costs set forth in Schedule "C" to this Agreement, and subject to the Terms and Conditions attached hereto, CSM shall provide the commercial and technical management services set forth in Schedule "A" to this Agreement (the "Services").

IN WITNESS WHEREOF the Parties have executed this Agreement by their duly authorized signatories with effect on the date first above written.

CAPITAL PRODUCT PARTNERS L.P. BY ITS GENERAL PARTNER, CAPITAL GP L.L.C.,

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP L.L.C

CAPITAL SHIP MANAGEMENT CORP.,

By: /s/ Nikolaos Syntychakis
Name: Nikolaos Syntychakis
Title: Managing Director

ARTICLE I

TERMS AND CONDITIONS

Section 1. Definitions. In this Agreement, the term:

"Additional Vessels" means vessels not in the ownership of CLP on the date of this Agreement that CLP may subsequently purchase to be managed by CSM under the Fee structure described herein at the election of CLP. For the purposes of this Agreement, any such Additional Vessels to be managed by CSM under the terms of this Agreement shall also be referred to herein as Vessels.

"Change of Control" means with respect to any entity, an event in which securities of any class entitling the holders thereof to elect a majority of the members of the board of directors or other similar governing body of the entity are acquired, directly or indirectly, by a "person" or "group" (within the meaning of Sections 13(d) or 14(d)(2) of the Exchange Act), who did not immediately before such acquisition own securities of the entity entitling such person or group to elect such majority (and for the purpose of this definition, any such securities held by another person who is related to such person shall be deemed to be owned by such person);

"Extraordinary Fees and Costs" means the fees and costs listed in Schedule "C" to this Agreement.

"CGP" means Capital GP L.L.C., a Marshall Islands limited liability company that is the general partner of CLP;

"CLP Group" means CLP, CGP and subsidiaries of CLP;

"Vessels" means all vessels set out in Schedule "B" to this Agreement as of the date hereof and any Additional Vessels.

Section 2. General. CSM shall provide the Services, in a commercially reasonable manner, as CLP, may from time to time direct, all under the supervision of CLP, as represented by CGP in its capacity as the general partner of CLP. CSM shall perform the Services to be provided hereunder in accordance with customary ship management practice and with the care, diligence and skill that a prudent manager of vessels such as the Vessels would possess and exercise.

Section 3. Covenants. During the term of this Agreement CSM shall:

(i) diligently provide or subcontract for the provision of (in accordance with Section 18 hereof) the Services to CLP as an independent contractor, and be responsible to CLP for the due and proper performance of same;

(ii) retain at all times a qualified staff so as to maintain a level of expertise sufficient to provide the Services; and

(iii) keep full and proper books, records and accounts showing clearly all transactions relating to its provision of Services in accordance with established general commercial practices and in accordance with United States generally accepted accounting principles.

Section 4. Non-exclusivity. CSM and its employees may provide services of a nature similar to the Services to any other person. There is no obligation for CSM to provide the Services to CLP on an exclusive basis.

Section 5. Confidential Information. CSM shall be obligated to keep confidential, both during and after the term of this Agreement, all information it has acquired or developed in the course of providing Services under this Agreement. CLP shall be entitled to any equitable remedy available at law or equity, including specific performance, against a breach by CSM of this obligation. CSM shall not resist such application for relief on the basis that CLP has an adequate remedy at law, and CSM shall waive any requirement for the securing or posting of any bond in connection with such remedy.

Section 6. Service Fees.

(i) In consideration for CSM providing the Services, CLP shall pay:. CSM a fixed daily fee, in the amount set out next to the name of each Vessel in Schedule "B" and, if applicable, the Extraordinary Fees and Costs. Schedule "B" shall be amended and restated from time to time to include the applicable Fees for each Additional Vessel, which Fee shall be negotiated on a vessel-by-vessel basis.

(ii) Within 30 days after the end of each month, CSM shall submit to CLP for payment an invoice for reimbursement of all Extraordinary Fees and Costs incurred by CSM in connection with the provision of the Services under the Agreement for such month. Each statement will contain such supporting detail as may be reasonably required to validate such amounts due. CLP shall make payment within 30 days of the date of each invoice (any such day on which a payment is due, the "Due Date"). All invoices for Services are payable in U.S. dollars. All amounts not paid within 10 days after the Due Date shall bear interest at the rate of 1.00% per annum over US$ LIBOR from such Due Date until the date payment is received in full by CSM.

Section 7. General Relationship Between The Parties. The relationship between the parties is that of independent contractor. The parties to this Agreement do not intend, and nothing herein shall be interpreted so as, to create a partnership, joint venture, employee or agency relationship between CSM and any one or more of CLP, CGP in its capacity as general partner on behalf of CLP or any member of the CLP Group.

Section 8. Force Majeure and Indemnity.

(i) Neither CLP nor CSM shall be under any liability for any failure to perform any of their obligations hereunder by reason of any cause whatsoever of any nature or kind beyond their reasonable control.

(ii) CSM shall be under no liability whatsoever to CLP for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect, (including but not limited to loss of profit arising out of or in

connection with detention of or delay to the Vessels or Additional Vessels) and howsoever arising in the course of performance of the Services UNLESS and to the extent that such loss, damage, delay or expense is proved to have resulted solely from the fraud, gross negligence or willful misconduct of CSM or their employees in connection with the Vessels, in which case (save where such loss, damage, delay or expense has resulted from CSM's personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result) CSM's liability for each incident or series of incidents giving rise to a claim or claims shall never exceed a total of US$3,000,000.

(iii) Notwithstanding anything that may appear to the contrary in this Agreement, CSM shall not be responsible for any of the actions of the crew of the Vessels even if such actions are negligent, grossly negligent or willful.

(iv) CLP shall indemnify and hold harmless CSM and its employees and agents against all actions, proceedings, claims, demands or liabilities which may be brought against them arising out of, relating to or based upon this Agreement including, without limitation, all actions, proceedings, claims, demands or liabilities brought under or relating to the environmental laws, regulations or conventions of any jurisdiction ("Environmental Laws"), or otherwise relating to pollution or the environment, and against and in respect of all costs and expenses (including legal costs and expenses on a full indemnity basis) they may suffer or incur due to defending or settling same, provided however that such indemnity shall exclude any or all losses, actions, proceedings, claims, demands, costs, damages, expenses and liabilities whatsoever which may be caused by or due to (A) the fraud, gross negligence or willful misconduct of CSM or its employees or agents, or (B) any breach of this Agreement by CSM.

(v) Without prejudice to the general indemnity set out in this Section, CLP hereby undertakes to indemnify CSM, their employees, agents and sub-contractors against all taxes, imposts and duties levied by any government as a result of the operations of CLP or the Vessels, whether or not such taxes, imposts and duties are levied on CLP or CSM. For the avoidance of doubt, such indemnity shall not apply to taxes imposed on amounts paid to CSM as consideration for the performance of Services for CLP. CLP shall pay all taxes, dues or fines imposed on the Vessels or CSM as a result of the operation of the Vessels.

(vi) It is hereby expressly agreed that no employee or agent of CSM (including any sub-contractor from time to time employed by CSM and the employees of such sub-contractors) shall in any circumstances whatsoever be under any liability whatsoever to CLP for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on his part while acting in the course of or in connection with his employment and, without prejudice to the generality of the foregoing provisions in this Section, every

exemption, limitation, condition and liberty herein contained and every right, exemption from liability, defense and immunity of whatsoever nature applicable to CSM or to which CSM are entitled hereunder shall also be available and shall extend to protect every such employee or agent of CSM acting as aforesaid.

(vii) CLP acknowledges that it is aware that CSM is unable to confirm that the Vessels, their systems, equipment and machinery are free from defects, and agrees that CSM shall not under any circumstances be liable for any losses, costs, claims, liabilities and expenses which CLP may suffer or incur resulting from pre-existing or latent deficiencies in the Vessels, their systems, equipment and machinery.

The provisions of this Section 8 shall remain in force notwithstanding termination of this Agreement.

Section 9. Term And Termination. With respect to each of the Vessels, this Agreement shall commence from the date on which each Vessel is acquired by CLP, and will continue for approximately five years or for any other period agreed between CLP and the CSM as set out in Schedule "D" to this Agreement, unless terminated by either party hereto on not less than one hundred and twenty (120) days notice if:

(a) in the case of CLP, there is a Change of Control of CSM and in the case of CSM, if there is a Change of Control of CGP;

(b) in the case of CSM and at the election of CSM, there is a Change of Control of CLP;

(c) the other party breaches this Agreement;

(d) a receiver is appointed for all or substantially all of the property of the other party;

(e) an order is made to wind-up the other party;

(f) a final judgment, order or decree which materially and adversely affects the ability of the other party to perform this Agreement shall have been obtained or entered against that party and such judgment, order or decree shall not have been vacated, discharged or stayed; or

(g) the other party makes a general assignment for the benefit of its creditors, files a petition in bankruptcy or for liquidation, is adjudged insolvent or bankrupt, commences any proceeding for a reorganization or arrangement of debts, dissolution or liquidation under any law or statute or of any jurisdiction applicable thereto or if any such proceeding shall be commenced.

The approximate termination date of this Agreement with respect to each of the Vessels is set out in Schedule "D" to this Agreement (the "Date of Termination"). Upon the purchase of each Additional Vessel, Schedule "D" to this Agreement shall be amended and restated to include the relevant Date of Termination for such Additional Vessel. This Agreement shall be deemed to be terminated with respect to a particular Vessel in the case of the sale of such

Vessel or if such Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss or is requisitioned. Notwithstanding such deemed termination, any Fees outstanding at the time of the sale or loss shall be paid in accordance with the provisions of this Agreement.

For the purpose of this clause:

(i) the date upon which a Vessel is to be treated as having been sold or otherwise disposed of shall be the date on which CLP ceases to be the legal owner of the Vessel, or the Vessel owning company, as the case may be;

(ii) a Vessel shall not be deemed to be lost until either she has become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred or the Vessel's owners issue a notice of abandonment to the underwriters.

The termination of this Agreement shall be without prejudice to all rights accrued due between the parties prior to the date of termination.

Section 10. Fees Upon Termination with respect to a Vessel. Upon termination of this Agreement, the Fee shall be adjusted with respect to a Vessel as at the effective date of termination of this Agreement, based on the Fees set forth in Schedule "B". Any overpayment shall forthwith be refunded to CLP and any underpayment shall forthwith be paid to CSM.

Section 11. Surrender Of Books And Records. Upon termination of this Agreement, CSM shall forthwith surrender to CLP any and all books, records, documents and other property in the possession or control of CSM relating to this Agreement and to the business, finance, technology, trademarks or affairs of CLP and any member of the CLP Group and, except as required by law, shall not retain any copies of same.

Section 12. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and (in relation to such subject matter) supersedes and replaces all prior understandings and agreements, written or oral, between the parties.

Section 13. Amendments to Agreement. CSM reserves the right to make such changes to this Agreement as it shall consider necessary to take account of regulatory changes which come into force after the date hereof and which affect the operation of the Vessels. Such changes will be intimated in writing to CLP and will come into force on intimation or on the date on which such regulatory or other changes come into effect (whichever shall be the later).

Section 14. Severability. If any provision herein is held to be void or unenforceable, the validity and enforceability of the remaining provisions herein shall remain unaffected and enforceable.

Section 15. Currency. Unless stated otherwise, all currency references herein are to United States Dollars.

Section 16. Law And Arbitration. This Agreement shall be governed by the laws of England. Any dispute under this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment then in force. The arbitration shall be conducted in accordance with the London Maritime Arbitrators' (LMAA) Terms current at the time when the arbitration is commenced.

Save as after mentioned, the reference shall be to three arbitrators, one to be appointed by each party and the third by the two arbitrators so appointed. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment to the other party requiring the other party to appoint its arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 calendar days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 calendar days specified, the party referring the dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be as binding as if he had been appointed by agreement.

In cases where neither the claim nor any counterclaim exceeds the sum of US$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

Section 17. Notice. Notice under this Agreement shall be given (via hand delivery or facsimile) as follows:

If to CLP:

3 Iassonos Street
Piraeus, 18537, Greece
Attn: Ioannis E. Lazaridis
Fax: +30 210 428 4285

If to CSM:

3 Iassonos Street
Piraeus, 18537, Greece
Attn: Capital Ship Management
Fax: +30 210 428 4285

Section 18. Subcontracting And Assignment. CSM shall not assign this Agreement to any party that is not a subsidiary or affiliate of CSM except upon written consent of CLP. CSM may freely sub-contract and sub-license this Agreement to any party, so long as CSM remains liable for performance of the Services and its other obligations under this Agreement.

Section 19. Waiver. The failure of either party to enforce any term of this Agreement shall not act as a waiver. Any waiver must be specifically stated as such in writing.

Section 20. Affiliates. This Agreement shall be binding upon and inure to the benefit of the affiliates of CLP and/or CSM.

Section 21. Counterparts. This Agreement may be executed in one or more signed counterparts, facsimile or otherwise, which shall together form one instrument.

SCHEDULE A

SERVICES

CSM shall provide such of the following commercial and technical management services (the "Services") to CLP, as CGP may from time to time request and direct CSM to:

(1) Negotiating on behalf of CLP time charters, bareboat charters, voyage charters and other employment contracts with respect to the Vessels and monitor payments thereunder;

(2) Exercising of due diligence to:

(i) maintain and preserve each Vessel and her equipment in full compliance with applicable rules and regulations, including Environmental Laws, good condition, running order and repair, so that each Vessel shall be, insofar as due diligence can make her in every respect seaworthy and in good operating condition;

(ii) keep each Vessel in such condition as will entitle her to the highest classification and rating from the classification society chosen by her owner or charter for vessels of the class, age and type;

(iii) prepare and obtain all necessary approvals for a shipboard oil pollution emergency plan (SOPEP) in a form approved by the Marine Environment Protection Committee of the International Maritime Organisation pursuant to the requirements of Regulation 26 of Annex I of the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto, as amended (MARPOL 73/78), and provide assistance with respect to such other documentation and record-keeping requirements pursuant to applicable Environmental Laws;

(iv) arrange for the preparation, filing and updating of a contingency Vessel Response Plan in accordance with the requirements of the U.S. Oil Pollution Act of 1990 as amended ("OPA"), and instruct the crew in all aspects of the operation of such plan;

(v) inform CLP promptly of any major release or discharge of oil or other hazardous material in compliance with law and identify and ensure the availability by contract or otherwise of a Qualified Individual, a Spill Management Team, an Oil Spill Removal Organisation (as such terms are defined by applicable Environmental Laws), and any other individual or entity required by Environmental Laws, resources having salvage, firefighting, lightering and, if applicable, dispersant capabilities, and public relations/media personnel to assist CLP to deal with the media in the event of discharges of oil;

(vi) arrange and procure for the vetting of the Vessels and CLP or CSM by major charterers and arranging and attending relevant inspections of the Vessels, including pre-vetting inspections, or visits at the premises of CSM up to a maximum number of five inspection visits per Vessel per year to be attended by CSM, with additional visits to be for the account of CLP; and

(vii) provide copies of any vessel inspection reports, valuations, surveys or similar reports upon request.

CSM is expressly authorized as agents for CLP to enter into such arrangements by contract or otherwise as are required to ensure the availability of the Services outlined above. CSM is further expressly authorized as agents for CLP to enter into such other arrangements as may from time to time be necessary to satisfy the requirements of OPA or other Federal or State laws.

(3) Storing, victualing and supplying of each Vessel and the arranging for the purchase of certain day to day stores, supplies and parts;

(4) Procuring and arrangement for port entrance and clearance, pilots, vessel agents, consular approvals, and other services necessary or desirable for the management and safe operation of each Vessel;

(5) Preparing, issuing or causing to be issued to shippers the customary freight contract, cargo receipts and/or bills of lading;

(6) Performance of all usual and customary duties concerned with the loading and discharging of cargoes at all ports;

(7) Naming of vessel agents for the transaction of each Vessel’s business;

(8) Arrangement and retention in full force and effect of all customary insurance pertaining to each Vessel as instructed by the owner or charterer and all such policies of insurance, including but not limited to protection and indemnity, hull and machinery, war risk and oil pollution covering each Vessel; if requested by the owner or charterer, making application for certificates of financial responsibility on behalf of the Vessels covered hereunder;

(9) Adjustment and the negotiating of settlements, with or on behalf of claimants or underwriters, of any claim, damages for which are recoverable under policies of insurance;

(10) If requested, provide CLP with technical assistance in connection with any sale of any Vessel. CSM will, if requested in writing by CLP, comment on the terms of any proposed Memorandum of Agreement, but CLP will remain solely responsible for agreeing the terms of any Memorandum of Agreement regulating any sale;

(11) Arrangement or the prompt dispatch of each Vessel from loading and discharging ports and for transit through canals;

(12) Arrangement for employment of counsel, and the investigation, follow-up and negotiating of the settlement of all claims arising in connection with the operation of each Vessel; it being understood that CLP will be responsible for the payment of such counsel's fees and expenses;

(13) Arrangement for the appointment of an adjuster and assistance in preparing the average account, taking proper security for the cargo's and freight's proportion of average, and in all ways reasonably possible protecting the interest of each Vessel and her owner; it being understood that CLP will be responsible for the payment of such adjuster's fees and expenses;

(14) Arrangement for the appointment of surveyors and technical consultants as necessary; it being understood that CLP will be responsible for the payment of such surveyor's or technical consultant's fees and expenses outside the ordinary course of business;

(15) Negotiating of the settlement of insurance claims of Vessel owner's or charterer's protection and indemnity insurance and the arranging for the making of disbursements accordingly for owner's or charterer's account; CLP shall arrange for the provision of any necessary guarantee bond or other security;

(16) Attendance to all matters involving each Vessel's crew, including, but not limited to, the following:

(i) arranging for the procurement and enlistment for each Vessel, as required by applicable law, of competent, reliable and duly licensed personnel (hereinafter referred to as "crew members") in accordance with the requirements of International Maritime Organisation Convention on Standards of Training Certification and Watchkeeping for Seafarers 1978 and as subsequently amended, and all replacements therefore as from time to time may be required;

(ii) arranging for all transportation, board and lodging for the crew members as and when required at rates and types of accommodations as customary in the industry;

(iii) keeping and maintaining full and complete records of any labour agreements which may be entered into between owner or disponent owner and the crew members and the prompt reporting to owner or disponent owner as soon as notice or knowledge thereof is received of any change or proposed change in labour agreements or other regulations relating to the master and the crew members;

(iv) negotiating the settlement and payment of all wages with the crew members during the course of and upon termination of their employment;

(v) the handling of all details and negotiating the settlement of any and all claims of the crew members including, but not limited to, those arising out of accidents, sickness, or death, loss of personal effects, disputes under articles or contracts of enlistment, policies of insurance and fines;

(vi) keeping and maintaining all administrative and financial records relating to the crew members as required by law, labour agreements, owner or charterer, and rendering to owner or charterer any and all reports when, as and in such form as requested by owner or charterer;

(vii) the performance of any other function in connection with crew members as may be requested by owner or charterer; and

(viii) negotiating with unions, if required.

(17) Payment of all charges incurred in connection with the management of each Vessel, including, but not limited to, the cost of the items listed in (2) to (16) above, canal tolls, repair charges and port charges, and any amounts due to any governmental agency with respect to the Vessel crews;

(18) In such form and on such terms as may be requested by CLP, the prompt reporting to CLP of each Vessel's movement, position at sea, arrival and departure dates, casualties and damages received or caused by each Vessel;

(19) In case any of the Vessels is employed under a voyage charter, CLP shall pay for all voyage related expenses (including bunkers, canal tolls and port dues) and CSM shall arrange for the provision of bunker fuel of the quality agreed with CLP as required for any Vessel's trade. CSM shall be entitled to order bunker fuel through such brokers or suppliers as CSM deem appropriate unless CLP instruct CSM to utilize a particular supplier which CSM will be obliged to do provided that CLP have made prior credit arrangements with such supplier. CLP shall comply with the terms of any credit arrangements made by CSM on their behalf;

(20) CSM shall not in any circumstances have any liability for any bunkers which do not meet the required specification. CSM will, however, take such action, on behalf of CLP, against the supplier of the bunkers, as is agreed with CLP.

(21) Except as provided in paragraph (22) below, CSM shall make arrangements as instructed by the Classification Society of each Vessel for the intermediate and special survey of each Vessel and all costs in connection with passing such surveys (including dry-docking) and satisfactory compliance with class requirements will be borne by CSM.

(22) CSM shall make arrangements as instructed by the respective Classification Societies of the Amore Mio II, the Aristofanis, the Agamemnon II, the Ayrton II and the Alkiviadis for the next scheduled intermediate or special survey of each Vessel, following its acquisition by CLP, as applicable, and all costs in connection with passing such survey (including dry-docking) and satisfactory compliance with class requirements will be borne by CSM.

SCHEDULE B

FEES

Vessel Name	Daily Fee in US$
Atlantas	500*
Aktoras	500*
Aiolos	500*
Alexandros II	250
Aristotelis II	250
Aris II	250
Amore Mio II	8,500
Ayrton II	6,500
El Pipila (ex Atrotos)	3,575 (3,075 Arrendadora Management Fee +500 CLP Management Fee)
Alkiviadis	7,000
Insurgentes (ex Assos)	3,575 (3,075 Arrendadora Management Fee + 500 CLP Management Fee)

* subject to continuation of the Vessel's charter

SCHEDULE C

EXTRAORDINARY FEES AND COSTS

Notwithstanding anything to the contrary in this Agreement, CSM will not be responsible for paying any costs liabilities and expenses in respect of a Vessel, to the extent that such costs, liabilities and expenses are “extraordinary”, which shall consist of the following:

(1) repairs, refurbishment or modifications, including those not covered by the guarantee of the shipbuilder or by the insurance covering the Vessels, resulting from maritime accidents, collisions, other accidental damage or unforeseen events (except to the extent that such accidents, collisions, damage or events are due to the fraud, gross negligence or wilfull misconduct of CSM, its employees or its agents, unless and to the extent otherwise covered by insurance). CSM shall be entitled to receive additional remuneration for time (charged at the rate of US$750 per man per day of 8 hours) for any time that the personnel of CSM will spend on attendance on any Vessel in connection with matters set out this subsection (1). In addition CLP will pay any reasonable travel and accommodation expenses of the CSM personnel incurred in connection with such additional time spent.

(2) any improvement, upgrade or modification to, structural changes with respect to the installation of new equipment aboard any Vessel that results from a change in, an introduction of new, or a change in the interpretation of, applicable laws, at the recommendation of the classification society for that Vessel or otherwise.

(3) any increase in crew employment expenses resulting from an introduction of new, or a change in the interpretation of, applicable laws or resulting from the early termination of the charter of any Vessel;

(4) CSM shall be entitled to receive additional remuneration for time spent on the insurance, average and salvage claims (charged at the rate of US$800 per man per day of 8 hours) in respect of the preparation and prosecution of claims, the supervision of repairs and the provision of documentation relating to adjustments).

(5) CSM shall be entitled to receive additional remuneration for time (charged at the rate of US$750 per man per day of 8 hours) for any time of over 10 days per year that the personnel of CSM will spend during vetting inspections and attendance on the Vessels in connection with the pre-vetting and vetting of the Vessels by any charterers. In addition CLP will pay any reasonable travel and accommodation expenses of the CSM personnel incurred in connection with such additional time spent.

(6) CLP shall pay the deductible of any insurance claims relating to the Vessels or for any claims that are within such deductible range.

(7) CLP shall pay any significant increase in insurance premiums which are due to factors such as “acts of God” outside of the control of CSM.

(8) CLP shall pay any tax, dues or fines imposed on the Vessels or CSM due to the operation of the Vessels.

(9) CLP shall pay for any expenses incurred in connection with the sale or acquisition of a Vessel, such as in connection with inspections and technical assistance.

(10) CLP shall pay for any similar costs, liabilities and expenses that were not reasonably contemplated by CLP and CSM as being encompassed by or a component of the Fees at the time the Fees were determined.

SCHEDULE D

DATE OF TERMINATION

Vessel Name	Expected Termination Date
Atlantas	Mar 2016*
Aktoras	Mar 2016*
Aiolos	Jan 2017*
Alexandros II	December 2017-March 2018
Aristotelis II	March-June 2018
Aris II	May-August 2018
Amore Mio II	February 2014
Ayrton II	March 2014
EI Pipila (ex Atrotos)	March 2014
Alkiviadis	June 2015
Insurgentes (ex Assos)	March 2014

* subject to continuation of the Vessel's charter

Exhibit 4.43

EXECUTION COPY

AMENDMENT TO FLOATING RATE MANAGEMENT AGREEMENT

AMENDMENT NO. 9 made effective the 22nd of January, 2013, to the Floating Rate Management Agreement dated the 9th of June 2011 (the "Floating Rate Management Agreement"), as amended; by and between CAPITAL PRODUCT PARTNERS L.P., a limited partnership duly organized and existing under the laws of the Marshall Islands ("CLP"), and CAPITAL SHIP MANAGEMENT CORP., a company duly organized and existing under the laws of Panama with its registered office at Hong Kong Bank building, 6th floor, Samuel Lewis Avenue, Panama, and a representative office established in Greece at 3, Iassonos Street, Piraeus Greece ("CSM").

WHEREAS:

A. CLP owns vessels and requires certain commercial and technical management services for the operation of its fleet;

B. Pursuant to the Floating Rate Management Agreement, CLP engaged CSM to provide such commercial and technical management services to CLP on the terms set out therein;

C. CLP wishes for CSM to provide commercial and technical services under the Floating Rate Management Agreement with respect to the product tanker Alexandros II;

D. CLP has requested that CSM agree to amend certain provisions of the Floating Rate Management Agreement, as set forth herein; and

E. CSM is willing to agree to such amendments as set forth herein.

NOW THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto hereby agree, on the terms and subject to the conditions set forth herein, as follows:

Section 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Floating Rate Management Agreement.

Amendments.

(a) Section 9 of the Floating Rate Management Agreement is hereby amended to read in its entirety as follows:

Section 9. Term And Termination. With respect to each of the Vessels, this Agreement shall commence from the date on which each Vessel is acquired by CLP or the date on which the Vessel is entered under this Agreement, whichever is later, and will continue for approximately five years, unless otherwise specified in Schedule B herein or unless terminated by either party hereto on not less than one hundred and twenty (120) days notice if:

(a) in the case of CLP, there is a Change of Control of CSM and in the case of CSM, if there is a Change of Control of CGP;

(b) in the case of CSM and at the election of CSM, there is a Change of Control of CLP;

(c) the other party breaches this Agreement;

(d) a receiver is appointed for all or substantially all of the property of the other party;

(e) an order is made to wind-up the other party;

(f) a final judgment, order or decree which materially and adversely affects the ability of the other party to perform this Agreement shall have been obtained or entered against that party and such judgment, order or decree shall not have been vacated, discharged or stayed; or

(g) the other party makes a general assignment for the benefit of its creditors, files a petition in bankruptcy or for liquidation, is adjudged insolvent or bankrupt, commences any proceeding for a reorganization or arrangement of debts, dissolution or liquidation under any law or statute or of any jurisdiction applicable thereto or if any such proceeding shall be commenced.

The approximate termination date of this Agreement with respect to each of the Vessels is listed in Schedule “B” to this Agreement (the “Date of Termination”) next to the respective vessel’s name. Upon the purchase of each Additional Vessel, Schedule “B” to this Agreement shall be amended and restated to include the relevant Date of Termination. This Agreement shall be deemed to be terminated with respect to a particular Vessel in the case of the sale of such Vessel or if such Vessel becomes a total loss or is declared as a constructive or compromised or arranged total loss or is requisitioned. Notwithstanding such deemed termination, any Fees or Costs outstanding at the time of the sale or loss shall be paid in accordance with the provisions of this Agreement.

For the purpose of this clause:

(i) the date upon which a Vessel is to be treated as having been sold or otherwise disposed of shall be the date on which CLP ceases to be the legal owner of the Vessel, or the Vessel owning company, as the case may be;

(ii) a Vessel shall not be deemed to be lost until either she has become an actual total loss or agreement has been reached with her underwriters in respect of her constructive, compromised or arranged total loss or if such agreement with her underwriters is not reached it is adjudged by a competent tribunal that a constructive loss of the Vessel has occurred or the Vessel's owners issue a notice of abandonment to the underwriters.

The termination of this Agreement shall be without prejudice to all rights accrued due between the parties prior to the date of termination.

(b) Schedule "B" of the Floating Rate Management Agreement is hereby amended to read in its entirety as follows:

SCHEDULE B

VESSELS AND DATE OF TERMINATION

Vessel Name	**Expected Termination Date**
Cape Agamemnon	June 2016
Arionas	August 2016
Agisilaos	December 2016
Avax	April 2017
Axios	June 2017
Akeraios	August 2017
Apostolos	September 2017
Agamemnon	December 2017
Archimidis	December 2017
Anemos I	December 2017
Alexandros II	Mar-April 2013

Section 2. Effectiveness of Amendment. This Amendment shall become effective as of January 22, 2013 (the "Amendment Effective Date").

Section 3. Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, amend, or otherwise affect the rights and remedies of CLP or CSM under the Floating Rate Management Agreement, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle CLP or CSM to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement in similar or different circumstances. This Amendment shall apply and be effective with respect to the matters expressly referred to herein. After the Amendment Effective Date, any reference to the Floating Rate Management Agreement shall mean the Floating Rate Management Agreement with such amendments effected hereby.

Section 4. Counterparts. This Amendment may be executed in one or more signed counterparts, facsimile or otherwise, which shall together form one instrument.

IN WITNESS WHEREOF the Parties have executed this Amendment this February 6, 2013, by their duly authorized signatories with effect on the date first above written.

CAPITAL PRODUCT PARTNERS L.P. BY ITS GENERAL PARTNER, CAPITAL GP L.L.C.,

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and
Chief Financial Officer of Capital GP L.L.C

CAPITAL SHIP MANAGEMENT CORP.,

By: /s/ Nikolaos Syntychakis
Name: Nikolaos Syntychakis
Title: Attorney-in-Fact

Exhibit 4.44

EXECUTION COPY

AMENDMENT TO FLOATING RATE MANAGEMENT AGREEMENT

AMENDMENT NO. 10 made effective the 20th day of March, 2013, to the Floating Rate Management Agreement dated the 9th of June 2011 (the "Floating Rate Management Agreement"), as amended; by and between CAPITAL PRODUCT PARTNERS L.P., a limited partnership duly organized and existing under the laws of the Marshall Islands ("CLP"), and CAPITAL SHIP MANAGEMENT CORP., a company duly organized and existing under the laws of Panama with its registered office at Hong Kong Bank building, 6th floor, Samuel Lewis Avenue, Panama, and a representative office established in Greece at 3, Iassonos Street, Piraeus Greece ("CSM").

WHEREAS:

A. CLP owns vessels and requires certain commercial and technical management services for the operation of its fleet;

B. Pursuant to the Floating Rate Management Agreement, CLP engaged CSM to provide such commercial and technical management services to CLP on the terms set out therein;

C. CLP wishes for CSM to provide commercial and technical services under the Floating Rate Management Agreement with respect to each of the container carrier "Hyundai Premium" and the container carrier "Hyundai Paramount";

D. CLP has requested that CSM agree to amend certain provisions of the Floating Rate Management Agreement, as set forth herein; and

E. CSM is willing to agree to such amendments as set forth herein.

NOW THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto hereby agree, on the terms and subject to the conditions set forth herein, as follows:

Section 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Floating Rate Management Agreement.

Amendments.

(a) Schedule "B" of the Floating Rate Management Agreement is hereby amended to read in its entirety as follows:

SCHEDULE B

VESSELS AND DATE OF TERMINATION

Vessel Name	**Expected Termination Date**
Cape Agamemnon	June 2016
Arionas	August 2016
Agisilaos	December 2016
Avax	April 2017
Axios	June 2017
Akeraios	August 2017
Apostolos	September 2017
Agamemnon	December 2017
Archimidis	December 2017
Anemos I	December 2017
Alexandros II	Mar-May 2013
Hyundai Premium	Mar-April 2018
Hyundai Paramount	Mar-April 2018

Section 2. Effectiveness of Amendment. This Amendment shall become effective as of March 20], 2013 (the "Amendment Effective Date"), provided that this Amendment shall not become effective as to the container carrier "Hyundai Paramount" until its acquisition thereof (directly or indirectly) by CLP within 15 days of the Amendment Effective Date.

Section 3. Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, amend, or otherwise affect the rights and remedies of CLP or CSM under the Floating Rate Management Agreement, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle CLP or CSM to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement in similar or different circumstances. This Amendment shall apply and be effective with respect to the matters expressly referred to herein. After the Amendment Effective Date, any reference to the Floating Rate Management Agreement shall mean the Floating Rate Management Agreement with such amendments effected hereby.

Section 4. Counterparts. This Amendment may be executed in one or more signed counterparts, facsimile or otherwise, which shall together form one instrument.

IN WITNESS WHEREOF the Parties have executed this Amendment this March 20, 2013, by their duly authorized signatories with effect on the date first above written.

CAPITAL PRODUCT PARTNERS L.P. BY ITS GENERAL PARTNER, CAPITAL GP L.L.C.,

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and
Chief Financial Officer of Capital GP L.L.C

CAPITAL SHIP MANAGEMENT CORP.,

By: /s/ Nikolaos Syntychakis
Name: Nikolaos Syntychakis
Title: Attorney-in-Fact & Legal Representative

Exhibit 4.45

EXECUTION COPY

AMENDMENT TO FLOATING RATE MANAGEMENT AGREEMENT

AMENDMENT NO. 11 made effective the 11th day of September, 2013, to the Floating Rate Management Agreement dated the 9th of June 2011 (the "Floating Rate Management Agreement"), as amended; by and between CAPITAL PRODUCT PARTNERS L.P., a limited partnership duly organized and existing under the laws of the Marshall Islands ("CLP"), and CAPITAL SHIP MANAGEMENT CORP., a company duly organized and existing under the laws of Panama with its registered office at Hong Kong Bank building, 6th floor, Samuel Lewis Avenue, Panama, and a representative office established in Greece at 3, Iassonos Street, Piraeus Greece ("CSM").

WHEREAS:

A. CLP owns vessels and requires certain commercial and technical management services for the operation of its fleet;

B. Pursuant to the Floating Rate Management Agreement, CLP engaged CSM to provide such commercial and technical management services to CLP on the terms set out therein;

C. CLP wishes for CSM to provide commercial and technical services under the Floating Rate Management Agreement with respect to each of the container carrier "Hyundai Platinum", "CCNI ANGOL (ex Hyundai Prestige) and the container carrier "Hyundai Privilege";

D. CLP has requested that CSM agree to amend certain provisions of the Floating Rate Management Agreement, as set forth herein; and

E. CSM is willing to agree to such amendments as set forth herein.

NOW THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto hereby agree, on the terms and subject to the conditions set forth herein, as follows:

Section 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Floating Rate Management Agreement.

Amendments.

(a) Schedule “B” of the Floating Rate Management Agreement is hereby amended to read in its entirety as follows:

SCHEDULE B

VESSELS AND DATE OF TERMINATION

Vessel Name	Expected Termination Date
Cape Agamemnon	June 2016
Arionas	August 2016
Agisilaos	December 2016
Avax	April 2017
Axios	June 2017
Akeraios	August 2017
Apostolos	September 2017
Agamemnon	December 2017
Archimidis	December 2017
Anemos I	December 2017
Alexandros II	Mar-May 2013
Hyundai Premium	Mar-April 2018
Hyundai Paramount	Mar-April 2018
Hyundai Platinum	August-September 2018
Hyundai Privilege	August-September 2018
CCNI Angol	August-September 2018

Section 2. Effectiveness of Amendment. This Amendment shall become effective for each vessel as of 11th September 2013 (the "Amendment Effective Date").

Section 3. Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, amend, or otherwise affect the rights and remedies of CLP or CSM under the Floating Rate Management Agreement, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle CLP or CSM to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement in similar or different circumstances. This Amendment shall apply and be effective with respect to the matters expressly referred to herein. After the Amendment Effective Date, any reference to the Floating Rate Management Agreement shall mean the Floating Rate Management Agreement with such amendments effected hereby.

Section 4. Counterparts. This Amendment may be executed in one or more signed counterparts, facsimile or otherwise, which shall together form one instrument.

IN WITNESS WHEREOF the Parties have executed this Amendment this 11th September, 2013 by their duly authorized signatories with effect on the date first above written.

CAPITAL PRODUCT PARTNERS L.P. BY ITS GENERAL PARTNER, CAPITAL GP L.L.C.,

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and
Chief Financial Officer of Capital GP L.L.C

CAPITAL SHIP MANAGEMENT CORP.,

By: /s/ Nikolaos Syntychakis
Name: Nikolaos Syntychakis
Title: Attorney-in-Fact & Legal Representative

Exhibit 4.46

EXECUTION COPY

AMENDMENT TO FLOATING RATE MANAGEMENT AGREEMENT

AMENDMENT NO. 12 made effective the 28th day of November, 2013, to the Floating Rate Management Agreement dated the 9th of June 2011 (the "Floating Rate Management Agreement"), as amended; by and between CAPITAL PRODUCT PARTNERS L.P., a limited partnership duly organized and existing under the laws of the Marshall Islands ("CLP"), and CAPITAL SHIP MANAGEMENT CORP., a company duly organized and existing under the laws of Panama with its registered office at Hong Kong Bank building, 6th floor, Samuel Lewis Avenue, Panama, and a representative office established in Greece at 3, Iassonos Street, Piraeus Greece ("CSM").

WHEREAS:

A. CLP owns vessels and requires certain commercial and technical management services for the operation of its fleet;

B. Pursuant to the Floating Rate Management Agreement, CLP engaged CSM to provide such commercial and technical management services to CLP on the terms set out therein;

C. CLP wishes for CSM to provide commercial and technical services under the Floating Rate Management Agreement with respect to the Liberian flagged product carrier "Aristotelis";

D. CLP has requested that CSM agree to amend certain provisions of the Floating Rate Management Agreement, as set forth herein; and

E. CSM is willing to agree to such amendments as set forth herein.

NOW THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto hereby agree, on the terms and subject to the conditions set forth herein, as follows:

Section 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Floating Rate Management Agreement.

Amendments.

(a) Schedule “B” of the Floating Rate Management Agreement is hereby amended to read in its entirety as follows:

SCHEDULE B

VESSELS AND DATE OF TERMINATION

Vessel Name	Expected Termination Date
Cape Agamemnon	June 2016
Arionas	August 2016
Agisilaos	December 2016
Avax	April 2017
Axios	June 2017
Akeraios	August 2017
Apostolos	September 2017
Aristotelis	November 2018
Archimidis	December 2017
Anemos I	December 2017
Alexandros II	Mar-May 2013
Hyundai Premium	Mar-April 2018
Hyundai Paramount	Mar-April 2018
Hyundai Platinum	August-September 2018
Hyundai Privilege	August-September 2018
CCNI Angol	August-September 2018

Section 2. Effectiveness of Amendment. This Amendment shall become effective for each vessel as of 28th November 2013 (the "Amendment Effective Date").

Section 3. Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, amend, or otherwise affect the rights and remedies of CLP or CSM under the Floating Rate Management Agreement, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle CLP or CSM to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Floating Rate Management Agreement in similar or different circumstances. This Amendment shall apply and be effective with respect to the matters expressly referred to herein. After the Amendment Effective Date, any reference to the Floating Rate Management Agreement shall mean the Floating Rate Management Agreement with such amendments effected hereby.

Section 4. Counterparts. This Amendment may be executed in one or more signed counterparts, facsimile or otherwise, which shall together form one instrument.

IN WITNESS WHEREOF the Parties have executed this Amendment this 28th November, 2013 by their duly authorized signatories with effect on the date first above written.

CAPITAL PRODUCT PARTNERS L.P. BY ITS GENERAL PARTNER, CAPITAL GP L.L.C.,

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP L.L.C.

CAPITAL SHIP MANAGEMENT CORP.,

By: /s/ Nikolaos Syntichakis
Name: Nikolaos Syntichakis
Title: Attorney-in-Fact&Legal Representative

Exhibit 4.63

SHARE PURCHASE AGREEMENT

Dated 27th March 2013

between

CAPITAL MARITIME & TRADING CORP.

and

CAPITAL PRODUCT PARTNERS L.P.

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SHARE PURCHASE AGREEMENT (the "Agreement"), dated as of March 27, 2013, by and between CAPITAL MARITIME & TRADING CORP. (the "Seller"), a corporation organized under the laws of the Republic of the Marshall Islands, and CAPITAL PRODUCT PARTNERS L.P. (the "Buyer"), a limited partnership organized under the laws of the Republic of the Marshall Islands.

WHEREAS, the Buyer wishes to purchase from the Seller, and the Seller wishes to sell to the Buyer, the one hundred (100) shares of capital stock (the "Shares") representing all of the issued and outstanding shares of capital stock of Iason Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia with its registered office at 80 Broad Street, Monrovia, Liberia (the "Vessel Owning Subsidiary").

WHEREAS, the Vessel Owning Subsidiary is the registered owner of the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PARAMOUNT" (the "Vessel").

WHEREAS, the Vessel will be employed under a charter time charter ("NYPE" form) dated 18 July 2011 by Hyundai Merchant Marine Co. Ltd. a company incorporating in Korea and whose registered office is at 1-7 Yeonji-Dong, Jongno-Gu, Seoul, Korea, as charterer (the "**Charterer**") for a duration of 12 years to be commenced shortly after delivery from shipyard (as amended on 18 July 2011, the "Charter").

WHEREAS, contemporaneously with the execution of this Agreement, the Buyer and Capital Ship Management Corp. ("CSM") will execute an amendment to the Floating Rate Management Agreement dated the 9th of June 2011 and entered into between the Buyer and CSM as same has been amended and/or supplemented from time to time (the "Amendment to the Management Agreement").

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

Interpretation

SECTION 1.01. Definitions. In this Agreement, unless the context requires otherwise or unless otherwise specifically provided herein, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Agreement" means this Agreement, including its recitals and schedules, as amended, supplemented, restated or otherwise modified from time to time;

"Amendment to the Management Agreement" has the meaning given to it in the recitals;

"Applicable Law" in respect of any Person, property, transaction or event, means all laws, statutes, ordinances, regulations, municipal by-laws, treaties, judgments and decrees

applicable to that Person, property, transaction or event and, whether or not having the force of law, all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders, codes of practice and policies of any Governmental Authority having or purporting to have authority over that Person, property, transaction or event and all general principles of common law and equity;

"Buyer" has the meaning given to it in the preamble;

"Buyer Entities" means the Buyer and its subsidiaries;

"Buyer Indemnitees" has the meaning given to it in Section 9.01;

"Charter" has the meaning given to it in the recitals;

"Charterer" has the meaning given to it in the recitals;

"Closing" has the meaning given to it in Section 2.02;

"Closing Date" has the meaning given to it in Section 2.02;

"Commission" has the meaning given to it in Section 7.03;

"Commitment" means (a) options, warrants, convertible securities, exchangeable securities, subscription rights, conversion rights, exchange rights or other contracts that could require a Person to issue any of its equity interests or to sell any equity interests it owns in another Person (other than this Agreement and the related transaction documents); (b) any other securities convertible into, exchangeable or exercisable for, or representing the right to subscribe for any equity interest of a Person or owned by a Person; and (c) stock appreciation rights, phantom stock, profit participation, or other similar rights with respect to a Person;

"Contracts" has the meaning given to it in Section 5.08;

"CSM" has the meaning given to it in the recitals;

"Encumbrance" means any mortgage, lien, charge, assignment, adverse claim, hypothecation, restriction, option, covenant, condition or encumbrance, whether fixed or floating, on, or any security interest in, any property whether real, personal or mixed, tangible or intangible, any pledge or hypothecation of any property, any deposit arrangement, priority, conditional sale agreement, other title retention agreement or equipment trust, capital lease or other security arrangements of any kind;

"Equity Interest" means (a) with respect to any entity, any and all shares of capital stock or other ownership interest and any Commitments with respect thereto, (b) any other direct equity ownership or participation in a Person and (c) any Commitments with respect to the interests described in (a) or (b);

"Exchange Act" has the meaning given to it in Section 7.03;

"Governmental Authority" means any domestic or foreign government, including federal, provincial, state, municipal, county or regional government or governmental or regulatory authority, domestic or foreign, and includes any department, commission, bureau, board, administrative agency or regulatory body of any of the foregoing and any multinational or supranational organization;

"Losses" means, with respect to any matter, all losses, claims, damages, liabilities, deficiencies, costs, expenses (including all costs of investigation, legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) or diminution of value, whether or not involving a claim from a third party, however specifically excluding consequential, special and indirect losses, loss of profit and loss of opportunity;

"Notice" means any notice, citation, directive, order, claim, litigation, investigation, proceeding, judgment, letter or other communication, written or oral, actual or threatened, from any Person;

"Organizational Documents" has the meaning given to it in Section 5.03;

"Parties" means all parties to this Agreement and "Party" means any one of them;

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership of the Buyer dated February 22, 2010, as amended from time to time.

"Person" means an individual, entity or association, including any legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization or Governmental Authority;

"Permits" has the meaning given to it in Section 5.13;

"Purchase Price" has the meaning given to it in Section 2.04;

"Securities Act" means the Securities Act of 1933, as amended from time to time;

"Seller" has the meaning given to it in the preamble;

"Seller Entities" means the Seller and its affiliates other than the Buyer Entities;

"Seller Indemnities" has the meaning given to it in Section 9.02;

"Shares" has the meaning given to it in the recitals;

"Shipbuilding Contract" means the Shipbuilding Contract, dated 15 April 2011, by and between the Vessel Owning Subsidiary and Hyundai Heavy Industries Co., as amended on 8 October 2012;

"Taxes" means all income, franchise, business, property, sales, use, goods and services or value added, withholding, excise, alternate minimum capital, transfer, excise, customs, anti-dumping, stumpage, countervail, net worth, stamp, registration, franchise, payroll,

employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, dues and charges and other taxes required to be reported upon or paid to any domestic or foreign jurisdiction and all interest and penalties thereon;

"Vessel" has the meaning given to it in the recitals; and

"Vessel Owning Subsidiary" has the meaning given to it in the recitals.

ARTICLE II

Purchase and Sale of Shares; Closing

SECTION 2.01. Purchase and Sale of Shares. The Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller for the Purchase Price and in accordance with and subject to the terms and conditions set forth in this Agreement, the Shares which in turn shall result in the Buyer indirectly owning the Vessel.

SECTION 2.02. Closing. On the terms of this Agreement, the sale and transfer of the Shares and payment of the Purchase Price shall take place on the date hereof (the "Closing Date"). The sale and transfer of the Shares is hereinafter referred to as "Closing."

SECTION 2.03. Place of Closing. The Closing shall take place at the premises of CSM at 3 Iassonos Street, Piraeus, Greece.

SECTION 2.04. Purchase Price for Shares. On the Closing Date, the Buyer shall pay to the Seller (to such account as the Seller shall nominate) the amount of US Dollars 65,000,000 (the "Purchase Price") in exchange for the Shares. The Buyer shall have no responsibility or liability hereunder for the Seller's allocation and distribution of the Purchase Price among the Seller Entities.

SECTION 2.05. Payment of the Purchase Price. The Purchase Price (to the extent paid in US Dollars) will be paid by the Buyer to the Seller of the Shares by wire transfer of immediately available funds to an account designated in writing by the Seller.

ARTICLE III

Representations and Warranties of the Buyer

The Buyer represents and warrants to the Seller that as of the date hereof:

SECTION 3.01. Organization and Limited Partnership Authority. The Buyer is duly formed, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite limited partnership power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Buyer, has been effectively authorized by all necessary

action, limited partnership or otherwise, and constitutes legal, valid and binding obligations of the Buyer. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Buyer.

SECTION 3.02. Agreement Not in Breach of Other Instruments. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Buyer is a party or by which it is bound, the Certificate of Formation and the Partnership Agreement, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Buyer is bound, or any law, rule or regulation applicable to the Buyer which would have a material effect on the transactions contemplated hereby.

SECTION 3.03. No Legal Bar. The Buyer is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Buyer which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 3.04. Securities Act. The Shares purchased by the Buyer pursuant to this Agreement are being acquired for investment purposes only and not with a view to any public distribution thereof, and the Buyer shall not offer to sell or otherwise dispose of the Shares so acquired by it in violation of any of the registration requirements of the Securities Act. The Buyer acknowledges that it is able to fend for itself, can bear the economic risk of its investment in the Shares, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in all of the Shares. The Buyer is an “accredited investor” as such term is defined in Regulation D under the Securities Act. The Buyer understands that, when issued to the Buyer at the Closing, none of the Shares will be registered pursuant to the Securities Act and that all of the Shares will constitute “restricted securities” under the federal securities laws of the United States.

SECTION 3.05. Independent Investigation. The Buyer has had the opportunity to conduct to its own satisfaction independent investigation, review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Vessel Owning Subsidiary and, in making the determination to proceed with the transactions contemplated hereby, has relied solely on the results of its own independent investigation and the representations and warranties set forth in Articles IV, V and VI.

ARTICLE IV

Representations and Warranties of the Seller

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 4.01. Organization and Corporate Authority. The Seller is duly incorporated, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Seller, has been effectively authorized by all necessary action, corporate or otherwise, and constitutes legal, valid and binding obligations of the Seller. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Seller.

SECTION 4.02. Agreement Not in Breach. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Seller is a party or by which it is bound, the Articles of Incorporation and Bylaws of the Seller, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Seller is bound, or any law, rule or regulation applicable to the Seller.

SECTION 4.03. No Legal Bar. The Seller is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Seller which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 4.04. Good and Marketable Title to Shares. The Seller is the owner (of record and beneficially) of all of the Shares and has good and marketable title to the Shares, free and clear of any and all Encumbrances. The Shares constitute 100% of the issued and outstanding Equity Interests of the Vessel Owning Subsidiary.

SECTION 4.05. The Shares. Assuming the Buyer has the requisite power and authority to be the lawful owner of the Shares, upon delivery to the Buyer at the Closing of certificates representing the Shares, duly endorsed by the Seller for transfer to the Buyer or accompanied by appropriate instruments sufficient to evidence the transfer from the Seller to the Buyer of the Shares under the Applicable Laws of the relevant jurisdiction, or delivery of such Shares by electronic means, and upon the Seller's receipt of the Purchase Price, the Buyer shall own good and valid title to the Shares, free and clear of any Encumbrances, other than those arising from acts of the Buyer Entities. Other than this Agreement and any related transaction documents, the Organizational Documents and restrictions imposed by Applicable Law, at the Closing, the Shares will not be subject to any voting trust agreement or other contract, agreement, arrangement, commitment or understanding restricting or otherwise relating to the voting, dividend rights or disposition of the Shares, other than any agreement to which any Buyer Entity is a party.

ARTICLE V

Representations and Warranties of
the Seller Regarding the Vessel Owning Subsidiary

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 5.01. Organization Good Standing and Authority. The Vessel Owning Subsidiary is a corporation duly incorporated, validly existing and in good standing under the laws of the Republic of Liberia. The Vessel Owning Subsidiary has full corporate power and authority to carry on its business as it is now, and has since its incorporation been, conducted, and is entitled to own, lease or operate the properties and assets it now owns, leases or operates and to enter into legal and binding contracts. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Vessel Owning Subsidiary.

SECTION 5.02. Capitalization; Title to Shares. The Shares consist of the 100 shares of capital stock without par value and have been duly authorized and validly issued and are fully paid and non-assessable, and constitute the total issued and outstanding Equity Interests of the Vessel Owning Subsidiary. There are not outstanding (i) any options, warrants or other rights to purchase from the Vessel Owning Subsidiary any equity interests of the Vessel Owning Subsidiary, (ii) any securities convertible into or exchangeable for shares of such equity interests of the Vessel Owning Subsidiary or (iii) any other commitments of any kind for the issuance of additional shares of equity interests or options, warrants or other securities of the Vessel Owning Subsidiary.

SECTION 5.03. Organizational Documents. The Seller has supplied to the Buyer true and correct copies of the organizational documents of the Vessel Owning Subsidiary, as in effect as of the date hereof (the "Organizational Documents").

SECTION 5.04. Agreement Not in Breach. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate, or result in a breach of, any of the terms and provisions of, or constitute a default under, or conflict with, or give any other party thereto a right to terminate any agreement or other instrument to which the Vessel Owning Subsidiary is a party or by which it is bound including, without limitation, any of the Organizational Documents, or any judgment, decree, order or award of any court, governmental body or arbitrator applicable to the Vessel Owning Subsidiary.

SECTION 5.05. Litigation.

(a) There is no action, suit or proceeding to which the Vessel Owning Subsidiary is a party (either as a plaintiff or defendant) pending before any court or governmental agency, authority or body or arbitrator; there is no action, suit or proceeding threatened against the Vessel Owning Subsidiary; and, to the best knowledge of the Seller, there is no basis for any such action, suit or proceeding;

(b) The Vessel Owning Subsidiary has not been permanently or temporarily enjoined by any order, judgment or decree of any court or any governmental agency, authority or body from engaging in or continuing any conduct or practice in connection with the business, assets, or properties of the Vessel Owning Subsidiary; and

(c) There is not in existence any order, judgment or decree of any court or other tribunal or other agency enjoining or requiring the Vessel Owning Subsidiary to take any action of any kind with respect to its business, assets or properties.

SECTION 5.06. Indebtedness to and from Officers, etc. The Vessel Owning Subsidiary will not be indebted, directly or indirectly, to any person who is an officer, director, stockholder or employee of the Seller or any spouse, child, or other relative or any affiliate of any such person, nor shall any such officer, director, stockholder, employee, relative or affiliate be indebted to the Vessel Owning Subsidiary.

SECTION 5.07. Personnel. The Vessel Owning Subsidiary has no employees.

SECTION 5.08. Contracts and Agreements. Other than the Charter and the Amendment to the Management Agreement (together, the "Contracts"), there are no material contracts or agreements, written or oral, to which the Vessel Owning Subsidiary is a party or by which any of its assets are bound.

(a) Each of the Contracts and the Shipbuilding Contract is a valid and binding agreement of the Vessel Owning Subsidiary, and to the best knowledge of the Seller, of all other parties thereto;

(b) The Vessel Owning Subsidiary has fulfilled all material obligations required pursuant to its Contracts and the Shipbuilding Contract to have been performed by it prior to the date hereof and has not waived any material rights thereunder, including payment in full of the purchase price for the Vessel, together with any other payments of the Vessel Owning Subsidiary due thereunder; and

(c) There has not occurred any material default under any of the Contracts or the Shipbuilding Contract on the part of the Vessel Owning Subsidiary, or to the best knowledge of the Seller, on the part of any other party thereto nor has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of the Vessel Owning Subsidiary under any of the Contracts or the Shipbuilding Contract nor, to the best knowledge of the Seller, has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of any other party to any of the Contracts.

SECTION 5.09. Compliance with Law. The conduct of business by the Vessel Owning Subsidiary does not and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any laws, statutes, ordinances, rules, regulations, decrees, orders, permits or other similar items in force (including, but not limited to, any of the foregoing relating to employment discrimination, environmental protection or conservation) of any country, province, state or other governing body, the enforcement of which would materially and adversely affect the business, assets, condition (financial or otherwise) or prospects of the Vessel Owning Subsidiary taken as a whole, nor has the Vessel Owning Subsidiary received any notice of any such violation.

SECTION 5.10. No Undisclosed Liabilities. The Vessel Owning Subsidiary (or the Vessel owned by it) has no liabilities or obligations of any nature, whether absolute, accrued, contingent or otherwise, and whether due or to become due (including, without limitation, any liability for Taxes and interest, penalties and other charges payable with respect to any such liability or obligation, including under the Shipbuilding Contract). Notwithstanding the foregoing, the Parties acknowledge and agree that there may be obligations under the Contracts that are not due and payable as of the date hereof and that (together with any payments under the Shipbuilding Contract) will be the responsibility of the Seller pursuant to Section 9.01(c) of this Agreement.

SECTION 5.11. Disclosure of Information. The Seller has disclosed to the Buyer all material information on, and about, the Vessel Owning Subsidiary and the Vessel and all such information is true, accurate and not misleading in any material respect. Nothing has been withheld from the material provided to the Buyer which would render such information untrue or misleading.

SECTION 5.12. Payment of Taxes. The Vessel Owning Subsidiary has filed all foreign, federal, state and local income and franchise tax returns required to be filed, which returns are correct and complete in all material respects, and has timely paid all taxes due from it, and the Vessel is in good standing with respect to the payment of past and current Taxes, fees and other amounts payable under the laws of the jurisdiction where it is registered as would affect its registry with the ship registry of such jurisdiction.

SECTION 5.13. Permits. The Vessel Owning Subsidiary has such permits, consents, licenses, franchises, concessions, certificates and authorizations ("Permits") of, and has all declarations and filings with, and is qualified and in good standing in each jurisdiction of, all federal, provincial, state, local or foreign Governmental Authorities and other Persons, as are necessary to own or lease its properties and to conduct its business in the manner that is standard and customary for a business of its nature other than such Permits the absence of which, individually or in the aggregate, has not and could not reasonably be expected to materially or adversely affect the Vessel Owning Subsidiary. The Vessel Owning Subsidiary has fulfilled and performed all its obligations with respect to such Permits which are or will be due to have been fulfilled and performed by such date and no event has occurred that would prevent the Permits from being renewed or reissued or that allows, or after notice or lapse of time would allow, revocation or termination thereof or results or would result in any impairment of the rights of the holder of any such Permit, except for such non-renewals, non-issues, revocations, terminations and impairments that would not, individually or in the aggregate, materially or adversely affect the Vessel Owning Subsidiary, and none of such Permits contains any restriction that is materially burdensome to the Vessel Owning Subsidiary.

SECTION 5.14. No Material Adverse Change in Business. Since December 31, 2011, there has been no material adverse change in the condition, financial or otherwise, or in the earnings, properties, business affairs or business prospects of the Vessel Owning Subsidiary, whether or not arising in the ordinary course of business, that would have or could reasonably be expected to have a material adverse effect on the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Vessel Owning Subsidiary.

ARTICLE VI

Representations and Warranties of
the Seller regarding the Vessel

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 6.01. Title to Vessel. The Vessel Owning Subsidiary is the owner (beneficially and of record) of the Vessel and has good and marketable title to the Vessel.

SECTION 6.02. No Encumbrances. The assets of the Vessel Owning Subsidiary and the Vessel are free of all Encumbrances other than the Encumbrances arising under the Charter.

SECTION 6.03. Condition. The Vessel is (i) adequate and suitable for use by the Vessel Owning Subsidiary in the manner that is standard and customary for a vessel of its type, ordinary wear and tear excepted; (ii) seaworthy in all material respects for hull and machinery insurance warranty purposes and in good running order and repair; (iii) insured against all risks, and in amounts, consistent with common industry practices; (iv) in compliance with maritime laws and regulations; and (v) in compliance in all material respects with the requirements of its class and classification society; and all class certificates of the Vessel are clean and valid and free of recommendations affecting class; and the Buyer acknowledges and agrees that, subject only to the representations and warranties in this Agreement, it is acquiring the Vessel on an “as is, where is” basis.

ARTICLE VII

Covenants

SECTION 7.01. Financial Statements. The Seller agrees to cause the Vessel Owning Subsidiary to provide access to the books and records of the Vessel Owning Subsidiary to allow the Buyer’s outside auditing firm to prepare at the Buyer’s expense any information, review or audit the Buyer reasonably believes is required to be furnished or provided by the Buyer pursuant to applicable securities laws. The Seller will (A) direct its auditors to provide the Buyer’s auditors access to the auditors’ work papers and (B) use its commercially reasonable efforts to assist the Buyer with any such information, review or audit and to provide other financial information reasonably requested by the Buyer or its auditors, including the delivery by the Seller Entities of any information, letters and similar documentation, including reasonable “management representation letters” and attestations.

SECTION 7.02. Expenses. All costs, fees and expenses incurred in connection with this Agreement and the related transaction documents shall be paid by the Buyer, including all costs, fees and expenses incurred in connection with conveyance fees, recording charges and

other fees and charges applicable to the transfer of the Shares. For the avoidance of doubt, all costs and expenses incurred by the Buyer to load the Vessel with fuel oil, lubricating oil, greases, fresh water and other stores necessary to operate the Vessel after the Closing as well as in connection with the delivery of the Vessel to the delivery port (ballast) shall be for the Buyer's account.

ARTICLE VIII

Amendments and Waivers

SECTION 8.01. Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each parties hereto. By an instrument in writing the Buyer, on the one hand, or the Seller, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

ARTICLE IX

Indemnification

SECTION 9.01. Indemnity by the Seller. The Seller shall be liable for, and shall indemnify the Buyer and each of its subsidiaries and each of their directors, employees, agents and representatives (the "Buyer Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Buyer Indemnitee:

(a) by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Seller in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Seller;

(b) any fees, expenses or other payments incurred or owed by the Seller or the Vessel Owning Subsidiary to any brokers, financial advisors or comparable other persons retained or employed by it in connection with the transactions contemplated by this Agreement; or

(c) by reason of, arising out of or otherwise in respect of obligations, liabilities, expenses, cost and claims relating to, arising from or otherwise attributable to the assets owned by the Vessel Owning Subsidiary or the assets, operations, and obligations of the Vessel Owning Subsidiary or the businesses thereof, in each case, to the extent relating to, arising from, or otherwise attributable to facts, circumstances or events occurring prior to the Closing Date.

SECTION 9.02. Indemnity by the Buyer. The Buyer shall indemnify the Seller and its subsidiaries other than any Buyer Indemnitees and each of their respective officers,

directors, employees, agents and representatives (the "Seller Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Seller Indemnitee by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules occurring after the date hereof or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Buyer in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Buyer.

SECTION 9.03. Exclusive Post-Closing Remedy. After the Closing, and except for any non-monetary, equitable relief to which any Party may be entitled, or any remedies for willful misconduct or actual fraud, the rights and remedies set forth in this Article IX shall constitute the sole and exclusive rights and remedies of the Parties under or with respect to the subject matter of this Agreement.

ARTICLE X

Miscellaneous

SECTION 10.01. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and to be performed wholly within such jurisdiction without giving effect to conflict of law principles thereof other than Section 5-1401 of the New York General Obligations Law, except to the extent that it is mandatory that the law of some other jurisdiction, wherein the Vessel is located, shall apply.

SECTION 10.02. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

SECTION 10.03. Complete Agreement. This Agreement and Schedules hereto contain the entire agreement between the parties hereto with respect to the transactions contemplated herein and, except as provided herein, supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings.

SECTION 10.04. Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 10.05. Severability. If any of the provisions of this Agreement are held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any governmental body having jurisdiction over the subject matter hereof, such contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, and an equitable adjustment shall be made and necessary provision added so as to give effect, as nearly as possible, to the intention of the Parties as expressed in this Agreement at the time of execution of this Agreement.

SECTION 10.06. Third Party Rights. Except to the extent provided in Article X, a Person who is not a party to this Agreement has no right to enforce or to enjoy the benefit of any term of this Agreement.

SECTION 10.07. Notices. Any notice, claim or demand in connection with this Agreement shall be delivered to the parties at the following addresses (or at such other address or facsimile number for a party as may be designated by notice by such party to the other party):

(a) if to Capital Maritime & Trading Corp., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Evangelos M. Marinakis
Facsimile: +30 210 428 4286

(b) if to Capital Product Partners L.P., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: loannis E. Lazaridis
Facsimile: +30 210 428 4285

and any such notice shall be deemed to have been received (i) on the next working day in the place to which it is sent, if sent by facsimile or (ii) forty eight (48) hours from the time of dispatch, if sent by courier.

SECTION 10.08. Representations and Warranties to Survive. All representations and warranties of the Buyer and Seller contained in this Agreement shall survive the Closing and shall remain operative and in full force and effect after the Closing, regardless of (a) any investigation made by or on behalf of any Party or its affiliates, any Person controlling any Party, its officers or directors, and (b) delivery of and payment for the Shares.

SECTION 10.09. Remedies. Except as expressly provided in Section 9.03, the rights, obligations and remedies created by this Agreement are cumulative and in addition to any other rights, obligations or remedies otherwise available at law or in equity. Except as expressly provided in this Agreement, nothing in this Agreement will be considered an election of remedies.

SECTION 10.10. Non-recourse to General Partner. Neither the Buyer’s general partner nor any other owner of Equity Interests in the Buyer shall be liable for the obligations of the Buyer under this Agreement or any of the related transaction documents, including, in each case, by reason of any payment obligation imposed by governing partnership statutes.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be signed as of the date first above written.

CAPITAL MARITIME & TRADING CORP.,

by /s/ Evangelos M. Marinakis
Name: Evangelos M. Marinakis
Title: President and Chief Executive Officer

CAPITAL PRODUCT PARTNERS L.P.

by Capital GP L.L.C., its general partner

by /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP, L.L.C.

Exhibit 4.64

SHARE PURCHASE AGREEMENT

Dated 9 August 2013

between

CAPITAL MARITIME & TRADING CORP.

and

CAPITAL PRODUCT PARTNERS L.P.

Anax Container Carrier S.A. – 100 Shares

CCNI Angol (Formerly Hyundai Prestige)

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SHARE PURCHASE AGREEMENT (the "Agreement"), dated as of 9 August 2013, by and between CAPITAL MARITIME & TRADING CORP. (the "Seller"), a corporation organized under the laws of the Republic of the Marshall Islands, and CAPITAL PRODUCT PARTNERS L.P. (the "Buyer"), a limited partnership organized under the laws of the Republic of the Marshall Islands.

WHEREAS, the Buyer wishes to purchase from the Seller, and the Seller wishes to sell to the Buyer, the one hundred (100) shares of capital stock (the "Shares") representing all of the issued and outstanding shares of capital stock of Anax Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia with its registered office at 80 Broad Street, Monrovia, Liberia (the "Vessel Owning Subsidiary").

WHEREAS, the Vessel Owning Subsidiary is the registered owner of the Liberian flagged 5,000 TEUS class container carrier "CCNI ANGOL" (ex "HYUNDAI PRESTIGE") (the "Vessel").

WHEREAS, the Vessel is employed under a charter time charter ("NYPE" form) dated 18 July 2011 by Hyundai Merchant Marine Co. Ltd. a company incorporating in Korea and whose registered office is at 1-7 Yeonji-Dong, Jongno-Gu, Seoul, Korea, as charterer (the "**Charterer**") for a duration of 12 years commenced on 19th February 2013 (as amended on 18 July 2011, the "Charter").

WHEREAS, contemporaneously with the Closing, the Buyer and Capital Ship Management Corp. ("CSM") will execute an amendment to the Floating Rate Management Agreement dated the 9th day of June 2011 and entered into between the Buyer and CSM as same has been amended and/or supplemented from time to time (the "Amendment to the Management Agreement").

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer and Seller shall enter into a Share Purchase Agreement, whereby the Buyer will purchase from the Seller, and the Seller will sell to the Buyer for a purchase price of US Dollars 65,000,000, the one hundred (100) shares of capital stock representing all of the issued and outstanding shares of capital stock of Thiseas Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia, which has title to the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PRIVILEGE" (the "HYUNDAI PRIVILEGE Acquisition").

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer and Seller shall enter into a Share Purchase Agreement, whereby the Buyer will purchase from the Seller, and the Seller will sell to the Buyer for a purchase price of US Dollars 65,000,000, the one hundred (100) shares of capital stock representing all of the issued and outstanding shares of capital stock of Cronus Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia, which has title to the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PLATINUM" (the "HYUNDAI PLATINUM Acquisition" and, together with the HYUNDAI PRIVILEGE Acquisition, the "Acquisitions").

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

Interpretation

SECTION 1.01. Definitions. In this Agreement, unless the context requires otherwise or unless otherwise specifically provided herein, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Agreement" means this Agreement, including its recitals and schedules, as amended, supplemented, restated or otherwise modified from time to time;

"Amendment to the Management Agreement" has the meaning given to it in the recitals;

"Applicable Law" in respect of any Person, property, transaction or event, means all laws, statutes, ordinances, regulations, municipal by-laws, treaties, judgments and decrees applicable to that Person, property, transaction or event and, whether or not having the force of law, all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders, codes of practice and policies of any Governmental Authority having or purporting to have authority over that Person, property, transaction or event and all general principles of common law and equity;

"Buyer" has the meaning given to it in the preamble;

"Buyer Entities" means the Buyer and its subsidiaries;

"Buyer Indemnitees" has the meaning given to it in Section 9.01;

"Charter" has the meaning given to it in the recitals;

"Charterer" has the meaning given to it in the recitals;

"Closing" has the meaning given to it in Section 2.02;

"Closing Date" has the meaning given to it in Section 2.02;

"Commission" has the meaning given to it in Section 7.03;

"Commitment" means (a) options, warrants, convertible securities, exchangeable securities, subscription rights, conversion rights, exchange rights or other contracts that could require a Person to issue any of its equity interests or to sell any equity interests it owns in another Person (other than this Agreement and the related transaction documents); (b) any other securities convertible into, exchangeable or exercisable for, or representing the right to subscribe for any equity interest of a Person or owned by a Person; and (c) stock appreciation rights, phantom stock, profit participation, or other similar rights with respect to a Person;

"Contracts" has the meaning given to it in Section 5.08;

"CSM" has the meaning given to it in the recitals;

"Encumbrance" means any mortgage, lien, charge, assignment, adverse claim, hypothecation, restriction, option, covenant, condition or encumbrance, whether fixed or floating, on, or any security interest in, any property whether real, personal or mixed, tangible or intangible, any pledge or hypothecation of any property, any deposit arrangement, priority, conditional sale agreement, other title retention agreement or equipment trust, capital lease or other security arrangements of any kind;

"Equity Interest" means (a) with respect to any entity, any and all shares of capital stock or other ownership interest and any Commitments with respect thereto, (b) any other direct equity ownership or participation in a Person and (c) any Commitments with respect to the interests described in (a) or (b);

"Exchange Act" has the meaning given to it in Section 7.03;

"Facility" has the meaning given to it in Section 7.04;

"Governmental Authority" means any domestic or foreign government, including federal, provincial, state, municipal, county or regional government or governmental or regulatory authority, domestic or foreign, and includes any department, commission, bureau, board, administrative agency or regulatory body of any of the foregoing and any multinational or supranational organization;

"Losses" means, with respect to any matter, all losses, claims, damages, liabilities, deficiencies, costs, expenses (including all costs of investigation, legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) or diminution of value, whether or not involving a claim from a third party, however specifically excluding consequential, special and indirect losses, loss of profit and loss of opportunity;

"Notice" means any notice, citation, directive, order, claim, litigation, investigation, proceeding, judgment, letter or other communication, written or oral, actual or threatened, from any Person;

"Organizational Documents" has the meaning given to it in Section 5.03;

"Parties" means all parties to this Agreement and "Party" means any one of them;

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership of the Buyer dated February 22, 2010, as amended from time to time.

"Person" means an individual, entity or association, including any legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization or Governmental Authority;

"Permits" has the meaning given to it in Section 5.13;

"Purchase Price" has the meaning given to it in Section 2.04;

"Securities Act" means the Securities Act of 1933, as amended from time to time;

"Seller" has the meaning given to it in the preamble;

"Seller Entities" means the Seller and its affiliates other than the Buyer Entities;

"Seller Indemnities" has the meaning given to it in Section 9.02;

"Shares" has the meaning given to it in the recitals;

"Taxes" means all income, franchise, business, property, sales, use, goods and services or value added, withholding, excise, alternate minimum capital, transfer, excise, customs, anti-dumping, stumpage, countervail, net worth, stamp, registration, franchise, payroll, employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, dues and charges and other taxes required to be reported upon or paid to any domestic or foreign jurisdiction and all interest and penalties thereon;

"Vessel" has the meaning given to it in the recitals; and

"Vessel Owning Subsidiary" has the meaning given to it in the recitals.

ARTICLE II

Purchase and Sale of Shares; Closing

SECTION 2.01. Purchase and Sale of Shares. At the Closing, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller for the Purchase Price and in accordance with and subject to the terms and conditions set forth in this Agreement, the Shares which in turn shall result in the Buyer indirectly owning the Vessel.

SECTION 2.02. Closing. The closing (the "Closing") shall take place on the Business Day following the satisfaction or waiver of the conditions set forth in Article VIII (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), at such place, time and date as the parties may agree. The "Closing Date" shall be the date upon which the Closing occurs.

SECTION 2.03. Place of Closing. The Closing shall take place at the premises of CSM at 3 Iassonos Street, Piraeus, Greece.

SECTION 2.04. Purchase Price for Shares. On the Closing Date, the Buyer shall pay to the Seller (to such account as the Seller shall nominate) the amount of US Dollars 65,000,000 (the "Purchase Price") in exchange for the Shares. The Buyer shall have no responsibility or liability hereunder for the Seller's allocation and distribution of the Purchase Price among the Seller Entities.

SECTION 2.05. Payment of the Purchase Price. The Purchase Price (to the extent paid in US Dollars) will be paid by the Buyer to the Seller of the Shares by wire transfer of immediately available funds to an account designated in writing by the Seller.

ARTICLE III

Representations and Warranties of the Buyer

The Buyer represents and warrants to the Seller that as of the date hereof:

SECTION 3.01. Organization and Limited Partnership Authority. The Buyer is duly formed, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite limited partnership power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Buyer, has been effectively authorized by all necessary action, limited partnership or otherwise, and constitutes legal, valid and binding obligations of the Buyer. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Buyer.

SECTION 3.02. Agreement Not in Breach of Other Instruments. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Buyer is a party or by which it is bound, the Certificate of Formation and the Partnership Agreement, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Buyer is bound, or any law, rule or regulation applicable to the Buyer which would have a material effect on the transactions contemplated hereby.

SECTION 3.03. No Legal Bar. The Buyer is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Buyer which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 3.04. Securities Act. The Shares purchased by the Buyer pursuant to this Agreement are being acquired for investment purposes only and not with a view to any public distribution thereof, and the Buyer shall not offer to sell or otherwise dispose of the Shares so acquired by it in violation of any of the registration requirements of the Securities Act. The Buyer acknowledges that it is able to fend for itself, can bear the economic risk of its investment in the Shares, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in all of the Shares. The Buyer is an “accredited investor” as such term is defined in Regulation D under the Securities Act. The Buyer understands that, when issued to the Buyer at the Closing, none of the Shares will be registered pursuant to the Securities Act and that all of the Shares will constitute “restricted securities” under the federal securities laws of the United States.

SECTION 3.05. Independent Investigation. The Buyer has had the opportunity to conduct to its own satisfaction independent investigation, review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Vessel Owning Subsidiary and, in making the determination to proceed with the transactions contemplated hereby, has relied solely on the results of its own independent investigation and the representations and warranties set forth in Articles IV, V and VI.

ARTICLE IV

Representations and Warranties of the Seller

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 4.01. Organization and Corporate Authority. The Seller is duly incorporated, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Seller, has been effectively authorized by all necessary action, corporate or otherwise, and constitutes legal, valid and binding obligations of the Seller. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Seller.

SECTION 4.02. Agreement Not in Breach. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Seller is a party or by which it is bound, the Articles of Incorporation and Bylaws of the Seller, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Seller is bound, or any law, rule or regulation applicable to the Seller.

SECTION 4.03. No Legal Bar. The Seller is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Seller which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 4.04. Good and Marketable Title to Shares. The Seller is the owner (of record and beneficially) of all of the Shares and has good and marketable title to the Shares, free and clear of any and all Encumbrances. The Shares constitute 100% of the issued and outstanding Equity Interests of the Vessel Owning Subsidiary.

SECTION 4.05. The Shares. Assuming the Buyer has the requisite power and authority to be the lawful owner of the Shares, upon delivery to the Buyer at the Closing of certificates representing the Shares, duly endorsed by the Seller for transfer to the Buyer or accompanied by appropriate instruments sufficient to evidence the transfer from the Seller to the Buyer of the Shares under the Applicable Laws of the relevant jurisdiction, or delivery of such Shares by electronic means, and upon the Seller's receipt of the Purchase Price, the Buyer shall own good and valid title to the Shares, free and clear of any Encumbrances, other than those arising from acts of the Buyer Entities. Other than this Agreement and any related transaction documents, the Organizational Documents and restrictions imposed by Applicable Law, at the Closing, the Shares will not be subject to any voting trust agreement or other contract, agreement, arrangement, commitment or understanding restricting or otherwise relating to the voting, dividend rights or disposition of the Shares, other than any agreement to which any Buyer Entity is a party.

ARTICLE V

Representations and Warranties of the Seller Regarding the Vessel Owning Subsidiary

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 5.01. Organization Good Standing and Authority. The Vessel Owning Subsidiary is a corporation duly incorporated, validly existing and in good standing under the laws of the Republic of Liberia. The Vessel Owning Subsidiary has full corporate power and authority to carry on its business as it is now, and has since its incorporation been, conducted, and is entitled to own, lease or operate the properties and assets it now owns, leases or operates and to enter into legal and binding contracts. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Vessel Owning Subsidiary.

SECTION 5.02. Capitalization; Title to Shares. The Shares consist of the 100 shares of capital stock without par value and have been duly authorized and validly issued and are fully paid and non-assessable, and constitute the total issued and outstanding Equity Interests of the Vessel Owning Subsidiary. There are not outstanding (i) any options, warrants or other rights to purchase from the Vessel Owning Subsidiary any equity interests of the Vessel Owning Subsidiary, (ii) any securities convertible into or exchangeable for shares of such equity interests of the Vessel Owning Subsidiary or (iii) any other commitments of any kind for the issuance of additional shares of equity interests or options, warrants or other securities of the Vessel Owning Subsidiary.

SECTION 5.03. Organizational Documents. The Seller has supplied to the Buyer true and correct copies of the organizational documents of the Vessel Owning Subsidiary, as in effect as of the date hereof (the "Organizational Documents").

SECTION 5.04. Agreement Not in Breach. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate, or

result in a breach of, any of the terms and provisions of, or constitute a default under, or conflict with, or give any other party thereto a right to terminate any agreement or other instrument to which the Vessel Owning Subsidiary is a party or by which it is bound including, without limitation, any of the Organizational Documents, or any judgment, decree, order or award of any court, governmental body or arbitrator applicable to the Vessel Owning Subsidiary.

SECTION 5.05. Litigation.

(a) There is no action, suit or proceeding to which the Vessel Owning Subsidiary is a party (either as a plaintiff or defendant) pending before any court or governmental agency, authority or body or arbitrator; there is no action, suit or proceeding threatened against the Vessel Owning Subsidiary; and, to the best knowledge of the Seller, there is no basis for any such action, suit or proceeding;

(b) The Vessel Owning Subsidiary has not been permanently or temporarily enjoined by any order, judgment or decree of any court or any governmental agency, authority or body from engaging in or continuing any conduct or practice in connection with the business, assets, or properties of the Vessel Owning Subsidiary; and

(c) There is not in existence any order, judgment or decree of any court or other tribunal or other agency enjoining or requiring the Vessel Owning Subsidiary to take any action of any kind with respect to its business, assets or properties.

SECTION 5.06. Indebtedness to and from Officers, etc. The Vessel Owning Subsidiary will not be indebted, directly or indirectly, to any person who is an officer, director, stockholder or employee of the Seller or any spouse, child, or other relative or any affiliate of any such person, nor shall any such officer, director, stockholder, employee, relative or affiliate be indebted to the Vessel Owning Subsidiary.

SECTION 5.07. Personnel. The Vessel Owning Subsidiary has no employees.

SECTION 5.08. Contracts and Agreements. Other than the Charter and the Amendment to the Management Agreement (together, the "Contracts"), there are no material contracts or agreements, written or oral, to which the Vessel Owning Subsidiary is a party or by which any of its assets are bound.

(a) Each of the Contracts is a valid and binding agreement of the Vessel Owning Subsidiary, and to the best knowledge of the Seller, of all other parties thereto;

(b) The Vessel Owning Subsidiary has fulfilled all material obligations required pursuant to its Contracts to have been performed by it prior to the date hereof and has not waived any material rights thereunder, including payment in full of the purchase price for the Vessel, together with any other payments of the Vessel Owning Subsidiary due thereunder; and

(c) There has not occurred any material default under any of the Contracts on the part of the Vessel Owning Subsidiary, or to the best knowledge of the Seller, on the part of any other party thereto nor has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of the Vessel Owning Subsidiary

under any of the Contracts nor, to the best knowledge of the Seller, has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of any other party to any of the Contracts.

SECTION 5.09. Compliance with Law. The conduct of business by the Vessel Owning Subsidiary does not and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any laws, statutes, ordinances, rules, regulations, decrees, orders, permits or other similar items in force (including, but not limited to, any of the foregoing relating to employment discrimination, environmental protection or conservation) of any country, province, state or other governing body, the enforcement of which would materially and adversely affect the business, assets, condition (financial or otherwise) or prospects of the Vessel Owning Subsidiary taken as a whole, nor has the Vessel Owning Subsidiary received any notice of any such violation.

SECTION 5.10. No Undisclosed Liabilities. The Vessel Owning Subsidiary (or the Vessel owned by it) has no liabilities or obligations of any nature, whether absolute, accrued, contingent or otherwise, and whether due or to become due. Notwithstanding the foregoing, the Parties acknowledge and agree that there may be obligations under the Contracts that are not due and payable as of the date hereof and that will be the responsibility of the Seller pursuant to Section 9.01(c) of this Agreement.

SECTION 5.11. Disclosure of Information. The Seller has disclosed to the Buyer all material information on, and about, the Vessel Owning Subsidiary and the Vessel and all such information is true, accurate and not misleading in any material respect. Nothing has been withheld from the material provided to the Buyer which would render such information untrue or misleading.

SECTION 5.12. Payment of Taxes. The Vessel Owning Subsidiary has filed all foreign, federal, state and local income and franchise tax returns required to be filed, which returns are correct and complete in all material respects, and has timely paid all taxes due from it, and the Vessel is in good standing with respect to the payment of past and current Taxes, fees and other amounts payable under the laws of the jurisdiction where it is registered as would affect its registry with the ship registry of such jurisdiction.

SECTION 5.13. Permits. The Vessel Owning Subsidiary has such permits, consents, licenses, franchises, concessions, certificates and authorizations ("Permits") of, and has all declarations and filings with, and is qualified and in good standing in each jurisdiction of, all federal, provincial, state, local or foreign Governmental Authorities and other Persons, as are necessary to own or lease its properties and to conduct its business in the manner that is standard and customary for a business of its nature other than such Permits the absence of which, individually or in the aggregate, has not and could not reasonably be expected to materially or adversely affect the Vessel Owning Subsidiary. The Vessel Owning Subsidiary has fulfilled and performed all its obligations with respect to such Permits which are or will be due to have been fulfilled and performed by such date and no event has occurred that would prevent the Permits from being renewed or reissued or that allows, or after notice or lapse of time would allow, revocation or termination thereof or results or would result in any impairment of the rights of the holder of any such Permit, except for such non-renewals, non-issues, revocations, terminations

and impairments that would not, individually or in the aggregate, materially or adversely affect the Vessel Owning Subsidiary, and none of such Permits contains any restriction that is materially burdensome to the Vessel Owning Subsidiary.

SECTION 5.14. No Material Adverse Change in Business. Since December 31, 2011, there has been no material adverse change in the condition, financial or otherwise, or in the earnings, properties, business affairs or business prospects of the Vessel Owning Subsidiary, whether or not arising in the ordinary course of business, that would have or could reasonably be expected to have a material adverse effect on the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Vessel Owning Subsidiary.

ARTICLE VI

Representations and Warranties of the Seller regarding the Vessel

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 6.01. Title to Vessel. The Vessel Owning Subsidiary is the owner (beneficially and of record) of the Vessel and has good and marketable title to the Vessel.

SECTION 6.02. No Encumbrances. The assets of the Vessel Owning Subsidiary and the Vessel are free of all Encumbrances other than the Encumbrances arising under the Charter.

SECTION 6.03. Condition. The Vessel is (i) adequate and suitable for use by the Vessel Owning Subsidiary in the manner that is standard and customary for a vessel of its type, ordinary wear and tear excepted; (ii) seaworthy in all material respects for hull and machinery insurance warranty purposes and in good running order and repair; (iii) insured against all risks, and in amounts, consistent with common industry practices; (iv) in compliance with maritime laws and regulations; and (v) in compliance in all material respects with the requirements of its class and classification society; and all class certificates of the Vessel are clean and valid and free of recommendations affecting class; and the Buyer acknowledges and agrees that, subject only to the representations and warranties in this Agreement, it is acquiring the Vessel on an “as is, where is” basis.

ARTICLE VII

Covenants

SECTION 7.01. Financial Statements. The Seller agrees to cause the Vessel Owning Subsidiary to provide access to the books and records of the Vessel Owning Subsidiary to allow the Buyer’s outside auditing firm to prepare at the Buyer’s expense any information, review or audit the Buyer reasonably believes is required to be furnished or provided by the Buyer pursuant to applicable securities laws. The Seller will (A) direct its auditors to provide the Buyer’s auditors access to the auditors’ work papers and (B) use its commercially reasonable

efforts to assist the Buyer with any such information, review or audit and to provide other financial information reasonably requested by the Buyer or its auditors, including the delivery by the Seller Entities of any information, letters and similar documentation, including reasonable "management representation letters" and attestations.

SECTION 7.02. Expenses. All costs, fees and expenses incurred in connection with this Agreement and the related transaction documents shall be paid by the Buyer, including all costs, fees and expenses incurred in connection with conveyance fees, recording charges and other fees and charges applicable to the transfer of the Shares. For the avoidance of doubt, all costs and expenses incurred by the Buyer to load the Vessel with fuel oil, lubricating oil, greases, fresh water and other stores necessary to operate the Vessel after the Closing as well as in connection with the delivery of the Vessel to the delivery port (ballast) shall be for the Buyer's account.

SECTION 7.03. Concurrent Share Purchase Agreements. The parties hereto shall enter into Share Purchase Agreements for, and consummate, the Acquisitions substantially concurrently with the transactions contemplated hereby on terms substantially similar to those provided for herein.

SECTION 7.04. New Credit Facility. As promptly as is reasonably practicable following the date hereof, Buyer will use its reasonable best efforts to enter into a senior secured syndicated credit facility (the "Facility") led by ING Bank N.V., London Branch, with a number of international banks as additional lenders, substantially on the terms and conditions set forth in Schedule I hereto.

ARTICLE VIII

Conditions to Closing

SECTION 8.01. Conditions to the Obligations of Seller and Buyer. The obligations of Seller and Buyer to effect the Closing shall be subject to the fulfillment or waiver by Seller and Buyer on or prior to the Closing Date of the following condition:

(a) No Governmental Authority shall have entered any order that remains in effect which would restrain, enjoin or otherwise prevent the performance of this Agreement or the consummation of any of the transactions contemplated hereby in accordance with the terms of this Agreement.

SECTION 8.02. Conditions to the Obligation of Buyer. The obligation of Buyer to effect the Closing shall be subject to the satisfaction or waiver by Buyer on or prior to the Closing Date of each of the following conditions:

(a) Each of the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date, with the same effect as though those representations and warranties had been made on and as of the Closing Date, except to

the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty need only be so true and correct as of such date.

(b) Seller shall have duly performed and complied in all material respects with all covenants and agreements contained in this Agreement that are required to be performed or complied with by Seller at or before the Closing.

SECTION 8.03. Conditions to the Obligation of Seller. The obligation of Seller to effect the Closing shall be subject to the satisfaction or waiver by Seller on or prior to the Closing Date of each of the following conditions:

(a) Each of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date, with the same effect as though those representations and warranties had been made on and as of the Closing Date, except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty need only be so true and correct as of such date.

(b) Buyer shall have duly performed and complied in all material respects with all covenants and agreements contained in this Agreement that are required to be performed or complied with by Buyer at or before the Closing.

ARTICLE IX

Indemnification

SECTION 9.01. Survival. None of the representations and warranties of Seller or Buyer set forth in this Agreement shall survive the Closing; provided, that the representations and warranties of Seller set forth in Section 4.04 (Good and Marketable Title to Shares) and Section 4.05 (The Shares) shall survive indefinitely following the Closing.

SECTION 9.02. Indemnity by the Seller. The Seller shall be liable for, and shall indemnify the Buyer and each of its subsidiaries and each of their directors, employees, agents and representatives (the "Buyer Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Buyer Indemnitee:

(a) by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Seller in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Seller;

(b) any fees, expenses or other payments incurred or owed by the Seller or the Vessel Owning Subsidiary to any brokers, financial advisors or comparable other persons retained or employed by it in connection with the transactions contemplated by this Agreement; or

(c) by reason of, arising out of or otherwise in respect of obligations, liabilities, expenses, cost and claims relating to, arising from or otherwise attributable to the assets owned by the Vessel Owning Subsidiary or the assets, operations, and obligations of the Vessel Owning Subsidiary or the businesses thereof, in each case, to the extent relating to, arising from, or otherwise attributable to facts, circumstances or events occurring prior to the Closing Date.

SECTION 9.03. Indemnity by the Buyer. The Buyer shall indemnify the Seller and its subsidiaries other than any Buyer Indemnitees and each of their respective officers, directors, employees, agents and representatives (the "Seller Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Seller Indemnitee by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules occurring after the date hereof or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Buyer in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Buyer.

SECTION 9.04. Exclusive Post-Closing Remedy. After the Closing, and except for any non-monetary, equitable relief to which any Party may be entitled, or any remedies for willful misconduct or actual fraud, the rights and remedies set forth in this Article IX shall constitute the sole and exclusive rights and remedies of the Parties under or with respect to the subject matter of this Agreement.

ARTICLE X

Termination

SECTION 10.01. Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) By mutual written consent of Seller and Buyer;

(b) By Seller or Buyer, by written notice to the other party, if the Closing shall not have occurred by December 31, 2013, unless such date is extended by the mutual written consent of Seller and Buyer; provided, that no party may terminate this Agreement pursuant to this Section 10.01(b) if that party has breached its obligations under this Agreement in a manner that shall have proximately contributed to the failure of the Closing to occur by such date;

(c) By either Seller or Buyer, by written notice to the other party, if:

(i) the other party has (and the terminating party shall not have) failed to perform and comply with, in all material respects, all agreements, covenants and

conditions hereby required to have been performed or complied with by such party prior to the time of such termination, and such failure shall not have been cured within 60 days following written notice of such failure, or

(ii) a Governmental Authority shall have issued any order permanently restraining, enjoining or otherwise prohibiting the Closing, and such order shall have become final and non appealable, or (B) any Law shall have been enacted by any Governmental Authority which prohibits the consummation of the Closing.

SECTION 10.02. Effect of Termination. In the event of the termination of this Agreement pursuant to Section 10.01, this Agreement shall become void and have no effect, without any liability to any Person in respect hereof or of the transactions contemplated hereby on the part of any party hereto, or any of its directors, officers, employees, agents, legal and financial advisors, representatives, stockholders or affiliates; provided, however, that the agreements contained in Section 7.03 (Expenses), this Section 10.02 and Article XI shall survive the termination of this Agreement.

ARTICLE XI

Miscellaneous

SECTION 11.01. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and to be performed wholly within such jurisdiction without giving effect to conflict of law principles thereof other than Section 5-1401 of the New York General Obligations Law, except to the extent that it is mandatory that the law of some other jurisdiction, wherein the Vessel is located, shall apply.

SECTION 11.02. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

SECTION 11.03. Complete Agreement. This Agreement and Schedules hereto contain the entire agreement between the parties hereto with respect to the transactions contemplated herein and, except as provided herein, supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings.

SECTION 11.04. Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 11.05. Severability. If any of the provisions of this Agreement are held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any governmental body having jurisdiction over the subject matter hereof, such contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, and an equitable

adjustment shall be made and necessary provision added so as to give effect, as nearly as possible, to the intention of the Parties as expressed in this Agreement at the time of execution of this Agreement.

SECTION 11.06. Third Party Rights. Except to the extent provided in Article X, a Person who is not a party to this Agreement has no right to enforce or to enjoy the benefit of any term of this Agreement.

SECTION 11.07. Notices. Any notice, claim or demand in connection with this Agreement shall be delivered to the parties at the following addresses (or at such other address or facsimile number for a party as may be designated by notice by such party to the other party):

(a) if to Capital Maritime & Trading Corp., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Evangelos M. Marinakis
Facsimile: +30 210 428 4286

(b) if to Capital Product Partners L.P., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Ioannis E. Lazaridis
Facsimile: +30 210 428 4285

and any such notice shall be deemed to have been received (i) on the next working day in the place to which it is sent, if sent by facsimile or (ii) forty eight (48) hours from the time of dispatch, if sent by courier.

SECTION 11.08. Representations and Warranties to Survive. All representations and warranties of the Buyer and Seller contained in this Agreement shall survive the Closing and shall remain operative and in full force and effect after the Closing, regardless of (a) any investigation made by or on behalf of any Party or its affiliates, any Person controlling any Party, its officers or directors, and (b) delivery of and payment for the Shares.

SECTION 11.09. Remedies. Except as expressly provided in Section 9.03, the rights, obligations and remedies created by this Agreement are cumulative and in addition to any other rights, obligations or remedies otherwise available at law or in equity. Except as expressly provided in this Agreement, nothing in this Agreement will be considered an election of remedies.

SECTION 11.10. Non-recourse to General Partner. Neither the Buyer’s general partner nor any other owner of Equity Interests in the Buyer shall be liable for the obligations of the Buyer under this Agreement or any of the related transaction documents, including, in each case, by reason of any payment obligation imposed by governing partnership statutes.

SECTION 11.11. Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each parties hereto. By an instrument in writing the Buyer, on the one hand, or the Seller, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be signed as of the date first above written.

CAPITAL MARITIME & TRADING CORP.,

by /s/ Evangelos M. Marinakis
Name: Evangelos M. Marinakis
Title: President and Chief Executive Officer

CAPITAL PRODUCT PARTNERS L.P.

by Capital GP L.L.C., its general partner

by /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP, L.L.C.

SCHEDULE I

THE FACILITY

- The Facility is expected to be an up to US $200,000,000 senior secured credit facility, and is expected to be non-amortizing until March 2016 with a final maturity date in March 2021.
- Approximately US $75,000,000 is expected to be immediately available to partially fund modern product and post panamax container acquisitions.
- The Facility is expected to carry a rate of LIBOR + 350 basis points and a commitment fee of 100 basis points.
- Entry into the Facility by the lenders (including ING Bank N.V., London Branch) is subject to satisfactory definitive documentation and other conditions, and availability of funds under the Facility will be subject to various customary conditions.

Exhibit 4.65

SHARE PURCHASE AGREEMENT

Dated 9 August 2013

between

CAPITAL MARITIME & TRADING CORP.

and

CAPITAL PRODUCT PARTNERS L.P.

Cronus Container Carrier S.A. – 100 Shares

Hyundai Platinum

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SHARE PURCHASE AGREEMENT (the "Agreement"), dated as of 9 August, 2013, by and between CAPITAL MARITIME & TRADING CORP. (the "Seller"), a corporation organized under the laws of the Republic of the Marshall Islands, and CAPITAL PRODUCT PARTNERS L.P. (the "Buyer"), a limited partnership organized under the laws of the Republic of the Marshall Islands.

WHEREAS, the Buyer wishes to purchase from the Seller, and the Seller wishes to sell to the Buyer, the one hundred (100) shares of capital stock (the "Shares") representing all of the issued and outstanding shares of capital stock of Cronus Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia with its registered office at 80 Broad Street, Monrovia, Liberia (the "Vessel Owning Subsidiary").

WHEREAS, the Vessel Owning Subsidiary is the registered owner of the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PLATINUM" (the "Vessel").

WHEREAS, the Vessel is employed under a charter time charter ("NYPE" form) dated 18 July 2011 by Hyundai Merchant Marine Co. Ltd. a company incorporating in Korea and whose registered office is at 1-7 Yeonji-Dong, Jongno-Gu, Seoul, Korea, as charterer (the "Charterer") for a duration of 12 years commenced on 14th June 2013 (as amended on 18 July 2011, the "Charter").

WHEREAS, contemporaneously with the Closing, the Buyer and Capital Ship Management Corp. ("CSM") will execute an amendment to the Floating Rate Management Agreement dated the 9th day of June 2011 and entered into between the Buyer and CSM as same has been amended and/or supplemented from time to time (the "Amendment to the Management Agreement").

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer and Seller shall enter into a Share Purchase Agreement, whereby the Buyer will purchase from the Seller, and the Seller will sell to the Buyer for a purchase price of US Dollars 65,000,000, the one hundred (100) shares of capital stock representing all of the issued and outstanding shares of capital stock of Thiseas Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia, which has title to the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PRIVILEGE" (the "HYUNDAI PRIVILEGE Acquisition").

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer and Seller shall enter into a Share Purchase Agreement, whereby the Buyer will purchase from the Seller, and the Seller will sell to the Buyer for a purchase price of US Dollars 65,000,000, the one hundred (100) shares of capital stock representing all of the issued and outstanding shares of capital stock of Anax Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia, which has title to the Liberian flagged 5,000 TEUS class container carrier "CCNI ANGOL" (ex Hyundai Prestige) (the "CCNI ANGOL Acquisition" and, together with the HYUNDAI PRIVILEGE) Acquisition, the "Acquisitions").

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

Interpretation

SECTION 1.01. Definitions. In this Agreement, unless the context requires otherwise or unless otherwise specifically provided herein, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Agreement" means this Agreement, including its recitals and schedules, as amended, supplemented, restated or otherwise modified from time to time;

"Amendment to the Management Agreement" has the meaning given to it in the recitals;

"Applicable Law" in respect of any Person, property, transaction or event, means all laws, statutes, ordinances, regulations, municipal by-laws, treaties, judgments and decrees applicable to that Person, property, transaction or event and, whether or not having the force of law, all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders, codes of practice and policies of any Governmental Authority having or purporting to have authority over that Person, property, transaction or event and all general principles of common law and equity;

"Buyer" has the meaning given to it in the preamble;

"Buyer Entities" means the Buyer and its subsidiaries;

"Buyer Indemnitees" has the meaning given to it in Section 9.01;

"Charter" has the meaning given to it in the recitals;

"Charterer" has the meaning given to it in the recitals;

"Closing" has the meaning given to it in Section 2.02;

"Closing Date" has the meaning given to it in Section 2.02;

"Commission" has the meaning given to it in Section 7.03;

"Commitment" means (a) options, warrants, convertible securities, exchangeable securities, subscription rights, conversion rights, exchange rights or other contracts that could require a Person to issue any of its equity interests or to sell any equity interests it owns in another Person (other than this Agreement and the related transaction documents); (b) any other securities convertible into, exchangeable or exercisable for, or representing the right to subscribe for any equity interest of a Person or owned by a Person; and (c) stock appreciation rights, phantom stock, profit participation, or other similar rights with respect to a Person;

"Contracts" has the meaning given to it in Section 5.08;

"CSM" has the meaning given to it in the recitals;

"Encumbrance" means any mortgage, lien, charge, assignment, adverse claim, hypothecation, restriction, option, covenant, condition or encumbrance, whether fixed or floating, on, or any security interest in, any property whether real, personal or mixed, tangible or intangible, any pledge or hypothecation of any property, any deposit arrangement, priority, conditional sale agreement, other title retention agreement or equipment trust, capital lease or other security arrangements of any kind;

"Equity Interest" means (a) with respect to any entity, any and all shares of capital stock or other ownership interest and any Commitments with respect thereto, (b) any other direct equity ownership or participation in a Person and (c) any Commitments with respect to the interests described in (a) or (b);

"Exchange Act" has the meaning given to it in Section 7.03;

"Facility" has the meaning given to it in Section 7.04;

"Governmental Authority" means any domestic or foreign government, including federal, provincial, state, municipal, county or regional government or governmental or regulatory authority, domestic or foreign, and includes any department, commission, bureau, board, administrative agency or regulatory body of any of the foregoing and any multinational or supranational organization;

"Losses" means, with respect to any matter, all losses, claims, damages, liabilities, deficiencies, costs, expenses (including all costs of investigation, legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) or diminution of value, whether or not involving a claim from a third party, however specifically excluding consequential, special and indirect losses, loss of profit and loss of opportunity;

"Notice" means any notice, citation, directive, order, claim, litigation, investigation, proceeding, judgment, letter or other communication, written or oral, actual or threatened, from any Person;

"Organizational Documents" has the meaning given to it in Section 5.03;

"Parties" means all parties to this Agreement and "Party" means any one of them;

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership of the Buyer dated February 22, 2010, as amended from time to time.

"Person" means an individual, entity or association, including any legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization or Governmental Authority;

"Permits" has the meaning given to it in Section 5.13;

"Purchase Price" has the meaning given to it in Section 2.04;

"Securities Act" means the Securities Act of 1933, as amended from time to time;

"Seller" has the meaning given to it in the preamble;

"Seller Entities" means the Seller and its affiliates other than the Buyer Entities;

"Seller Indemnities" has the meaning given to it in Section 9.02;

"Shares" has the meaning given to it in the recitals;

"Taxes" means all income, franchise, business, property, sales, use, goods and services or value added, withholding, excise, alternate minimum capital, transfer, excise, customs, anti-dumping, stumpage, countervail, net worth, stamp, registration, franchise, payroll, employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, dues and charges and other taxes required to be reported upon or paid to any domestic or foreign jurisdiction and all interest and penalties thereon;

"Vessel" has the meaning given to it in the recitals; and

"Vessel Owning Subsidiary" has the meaning given to it in the recitals.

ARTICLE II

Purchase and Sale of Shares; Closing

SECTION 2.01. Purchase and Sale of Shares. At the closing, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller for the Purchase Price and in accordance with and subject to the terms and conditions set forth in this Agreement, the Shares which in turn shall result in the Buyer indirectly owning the Vessel.

SECTION 2.02. Closing. The closing (the "Closing") shall take place on the Business Day following the satisfaction or waiver of the conditions set forth in Article VIII (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), at such place, time and date as the parties may agree. The "Closing Date" shall be the date upon which the Closing occurs.

SECTION 2.03. Place of Closing. The Closing shall take place at the premises of CSM at 3 Iassonos Street, Piraeus, Greece.

SECTION 2.04. Purchase Price for Shares. On the Closing Date, the Buyer shall pay to the Seller (to such account as the Seller shall nominate) the amount of US Dollars 65,000,000 (the "Purchase Price") in exchange for the Shares. The Buyer shall have no responsibility or liability hereunder for the Seller's allocation and distribution of the Purchase Price among the Seller Entities.

SECTION 2.05. Payment of the Purchase Price. The Purchase Price (to the extent paid in US Dollars) will be paid by the Buyer to the Seller of the Shares by wire transfer of immediately available funds to an account designated in writing by the Seller.

ARTICLE III

Representations and Warranties of the Buyer

The Buyer represents and warrants to the Seller that as of the date hereof:

SECTION 3.01. Organization and Limited Partnership Authority. The Buyer is duly formed, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite limited partnership power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Buyer, has been effectively authorized by all necessary action, limited partnership or otherwise, and constitutes legal, valid and binding obligations of the Buyer. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Buyer.

SECTION 3.02. Agreement Not in Breach of Other Instruments. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Buyer is a party or by which it is bound, the Certificate of Formation and the Partnership Agreement, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Buyer is bound, or any law, rule or regulation applicable to the Buyer which would have a material effect on the transactions contemplated hereby.

SECTION 3.03. No Legal Bar. The Buyer is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Buyer which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 3.04. Securities Act. The Shares purchased by the Buyer pursuant to this Agreement are being acquired for investment purposes only and not with a view to any public distribution thereof, and the Buyer shall not offer to sell or otherwise dispose of the Shares so acquired by it in violation of any of the registration requirements of the Securities Act. The Buyer acknowledges that it is able to fend for itself, can bear the economic risk of its investment in the Shares, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in all of the Shares. The Buyer is an “accredited investor” as such term is defined in Regulation D under the Securities Act. The Buyer understands that, when issued to the Buyer at the Closing, none of the Shares will be registered pursuant to the Securities Act and that all of the Shares will constitute “restricted securities” under the federal securities laws of the United States.

SECTION 3.05. Independent Investigation. The Buyer has had the opportunity to conduct to its own satisfaction independent investigation, review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Vessel Owning Subsidiary and, in making the determination to proceed with the transactions contemplated hereby, has relied solely on the results of its own independent investigation and the representations and warranties set forth in Articles IV, V and VI.

ARTICLE IV

Representations and Warranties of the Seller

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 4.01. Organization and Corporate Authority. The Seller is duly incorporated, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Seller, has been effectively authorized by all necessary action, corporate or otherwise, and constitutes legal, valid and binding obligations of the Seller. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Seller.

SECTION 4.02. Agreement Not in Breach. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Seller is a party or by which it is bound, the Articles of Incorporation and Bylaws of the Seller, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Seller is bound, or any law, rule or regulation applicable to the Seller.

SECTION 4.03. No Legal Bar. The Seller is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Seller which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 4.04. Good and Marketable Title to Shares. The Seller is the owner (of record and beneficially) of all of the Shares and has good and marketable title to the Shares, free and clear of any and all Encumbrances. The Shares constitute 100% of the issued and outstanding Equity Interests of the Vessel Owning Subsidiary.

SECTION 4.05. The Shares. Assuming the Buyer has the requisite power and authority to be the lawful owner of the Shares, upon delivery to the Buyer at the Closing of certificates representing the Shares, duly endorsed by the Seller for transfer to the Buyer or accompanied by appropriate instruments sufficient to evidence the transfer from the Seller to the Buyer of the Shares under the Applicable Laws of the relevant jurisdiction, or delivery of such Shares by electronic means, and upon the Seller's receipt of the Purchase Price, the Buyer shall own good and valid title to the Shares, free and clear of any Encumbrances, other than those arising from acts of the Buyer Entities. Other than this Agreement and any related transaction documents, the Organizational Documents and restrictions imposed by Applicable Law, at the Closing, the Shares will not be subject to any voting trust agreement or other contract, agreement, arrangement, commitment or understanding restricting or otherwise relating to the voting, dividend rights or disposition of the Shares, other than any agreement to which any Buyer Entity is a party.

ARTICLE V

Representations and Warranties of the Seller Regarding the Vessel Owning Subsidiary

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 5.01. Organization Good Standing and Authority. The Vessel Owning Subsidiary is a corporation duly incorporated, validly existing and in good standing under the laws of the Republic of Liberia. The Vessel Owning Subsidiary has full corporate power and authority to carry on its business as it is now, and has since its incorporation been, conducted, and is entitled to own, lease or operate the properties and assets it now owns, leases or operates and to enter into legal and binding contracts. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Vessel Owning Subsidiary.

SECTION 5.02. Capitalization; Title to Shares. The Shares consist of the 100 shares of capital stock without par value and have been duly authorized and validly issued and are fully paid and non-assessable, and constitute the total issued and outstanding Equity Interests of the Vessel Owning Subsidiary. There are not outstanding (i) any options, warrants or other rights to purchase from the Vessel Owning Subsidiary any equity interests of the Vessel Owning Subsidiary, (ii) any securities convertible into or exchangeable for shares of such equity interests of the Vessel Owning Subsidiary or (iii) any other commitments of any kind for the issuance of additional shares of equity interests or options, warrants or other securities of the Vessel Owning Subsidiary.

SECTION 5.03. Organizational Documents. The Seller has supplied to the Buyer true and correct copies of the organizational documents of the Vessel Owning Subsidiary, as in effect as of the date hereof (the "Organizational Documents").

SECTION 5.04. Agreement Not in Breach. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate, or

result in a breach of, any of the terms and provisions of, or constitute a default under, or conflict with, or give any other party thereto a right to terminate any agreement or other instrument to which the Vessel Owning Subsidiary is a party or by which it is bound including, without limitation, any of the Organizational Documents, or any judgment, decree, order or award of any court, governmental body or arbitrator applicable to the Vessel Owning Subsidiary.

SECTION 5.05. Litigation.

(a) There is no action, suit or proceeding to which the Vessel Owning Subsidiary is a party (either as a plaintiff or defendant) pending before any court or governmental agency, authority or body or arbitrator; there is no action, suit or proceeding threatened against the Vessel Owning Subsidiary; and, to the best knowledge of the Seller, there is no basis for any such action, suit or proceeding;

(b) The Vessel Owning Subsidiary has not been permanently or temporarily enjoined by any order, judgment or decree of any court or any governmental agency, authority or body from engaging in or continuing any conduct or practice in connection with the business, assets, or properties of the Vessel Owning Subsidiary; and

(c) There is not in existence any order, judgment or decree of any court or other tribunal or other agency enjoining or requiring the Vessel Owning Subsidiary to take any action of any kind with respect to its business, assets or properties.

SECTION 5.06. Indebtedness to and from Officers, etc. The Vessel Owning Subsidiary will not be indebted, directly or indirectly, to any person who is an officer, director, stockholder or employee of the Seller or any spouse, child, or other relative or any affiliate of any such person, nor shall any such officer, director, stockholder, employee, relative or affiliate be indebted to the Vessel Owning Subsidiary.

SECTION 5.07. Personnel. The Vessel Owning Subsidiary has no employees.

SECTION 5.08. Contracts and Agreements. Other than the Charter and the Amendment to the Management Agreement (together, the "Contracts"), there are no material contracts or agreements, written or oral, to which the Vessel Owning Subsidiary is a party or by which any of its assets are bound.

(a) Each of the Contracts is a valid and binding agreement of the Vessel Owning Subsidiary, and to the best knowledge of the Seller, of all other parties thereto;

(b) The Vessel Owning Subsidiary has fulfilled all material obligations required pursuant to its Contracts to have been performed by it prior to the date hereof and has not waived any material rights thereunder, including payment in full of the purchase price for the Vessel, together with any other payments of the Vessel Owning Subsidiary due thereunder; and

(c) There has not occurred any material default under any of the Contracts on the part of the Vessel Owning Subsidiary, or to the best knowledge of the Seller, on the part of any other party thereto nor has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of the Vessel Owning Subsidiary

under any of the Contracts nor, to the best knowledge of the Seller, has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of any other party to any of the Contracts.

SECTION 5.09. Compliance with Law. The conduct of business by the Vessel Owning Subsidiary does not and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any laws, statutes, ordinances, rules, regulations, decrees, orders, permits or other similar items in force (including, but not limited to, any of the foregoing relating to employment discrimination, environmental protection or conservation) of any country, province, state or other governing body, the enforcement of which would materially and adversely affect the business, assets, condition (financial or otherwise) or prospects of the Vessel Owning Subsidiary taken as a whole, nor has the Vessel Owning Subsidiary received any notice of any such violation.

SECTION 5.10. No Undisclosed Liabilities. The Vessel Owning Subsidiary (or the Vessel owned by it) has no liabilities or obligations of any nature, whether absolute, accrued, contingent or otherwise, and whether due or to become due. Notwithstanding the foregoing, the Parties acknowledge and agree that there may be obligations under the Contracts that are not due and payable as of the date hereof and that will be the responsibility of the Seller pursuant to Section 9.01(c) of this Agreement.

SECTION 5.11. Disclosure of Information. The Seller has disclosed to the Buyer all material information on, and about, the Vessel Owning Subsidiary and the Vessel and all such information is true, accurate and not misleading in any material respect. Nothing has been withheld from the material provided to the Buyer which would render such information untrue or misleading.

SECTION 5.12. Payment of Taxes. The Vessel Owning Subsidiary has filed all foreign, federal, state and local income and franchise tax returns required to be filed, which returns are correct and complete in all material respects, and has timely paid all taxes due from it, and the Vessel is in good standing with respect to the payment of past and current Taxes, fees and other amounts payable under the laws of the jurisdiction where it is registered as would affect its registry with the ship registry of such jurisdiction.

SECTION 5.13. Permits. The Vessel Owning Subsidiary has such permits, consents, licenses, franchises, concessions, certificates and authorizations ("Permits") of, and has all declarations and filings with, and is qualified and in good standing in each jurisdiction of, all federal, provincial, state, local or foreign Governmental Authorities and other Persons, as are necessary to own or lease its properties and to conduct its business in the manner that is standard and customary for a business of its nature other than such Permits the absence of which, individually or in the aggregate, has not and could not reasonably be expected to materially or adversely affect the Vessel Owning Subsidiary. The Vessel Owning Subsidiary has fulfilled and performed all its obligations with respect to such Permits which are or will be due to have been fulfilled and performed by such date and no event has occurred that would prevent the Permits from being renewed or reissued or that allows, or after notice or lapse of time would allow, revocation or termination thereof or results or would result in any impairment of the rights of the holder of any such Permit, except for such non-renewals, non-issues, revocations, terminations

and impairments that would not, individually or in the aggregate, materially or adversely affect the Vessel Owning Subsidiary, and none of such Permits contains any restriction that is materially burdensome to the Vessel Owning Subsidiary.

SECTION 5.14. No Material Adverse Change in Business. Since December 31, 2011, there has been no material adverse change in the condition, financial or otherwise, or in the earnings, properties, business affairs or business prospects of the Vessel Owning Subsidiary, whether or not arising in the ordinary course of business, that would have or could reasonably be expected to have a material adverse effect on the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Vessel Owning Subsidiary.

ARTICLE VI

Representations and Warranties of the Seller regarding the Vessel

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 6.01. Title to Vessel. The Vessel Owning Subsidiary is the owner (beneficially and of record) of the Vessel and has good and marketable title to the Vessel.

SECTION 6.02. No Encumbrances. The assets of the Vessel Owning Subsidiary and the Vessel are free of all Encumbrances other than the Encumbrances arising under the Charter.

SECTION 6.03. Condition. The Vessel is (i) adequate and suitable for use by the Vessel Owning Subsidiary in the manner that is standard and customary for a vessel of its type, ordinary wear and tear excepted; (ii) seaworthy in all material respects for hull and machinery insurance warranty purposes and in good running order and repair; (iii) insured against all risks, and in amounts, consistent with common industry practices; (iv) in compliance with maritime laws and regulations; and (v) in compliance in all material respects with the requirements of its class and classification society; and all class certificates of the Vessel are clean and valid and free of recommendations affecting class; and the Buyer acknowledges and agrees that, subject only to the representations and warranties in this Agreement, it is acquiring the Vessel on an “as is, where is” basis.

ARTICLE VII

Covenants

SECTION 7.01. Financial Statements. The Seller agrees to cause the Vessel Owning Subsidiary to provide access to the books and records of the Vessel Owning Subsidiary to allow the Buyer’s outside auditing firm to prepare at the Buyer’s expense any information, review or audit the Buyer reasonably believes is required to be furnished or provided by the Buyer pursuant to applicable securities laws. The Seller will (A) direct its auditors to provide the Buyer’s auditors access to the auditors’ work papers and (B) use its commercially reasonable

efforts to assist the Buyer with any such information, review or audit and to provide other financial information reasonably requested by the Buyer or its auditors, including the delivery by the Seller Entities of any information, letters and similar documentation, including reasonable "management representation letters" and attestations.

SECTION 7.02. Expenses. All costs, fees and expenses incurred in connection with this Agreement and the related transaction documents shall be paid by the Buyer, including all costs, fees and expenses incurred in connection with conveyance fees, recording charges and other fees and charges applicable to the transfer of the Shares. For the avoidance of doubt, all costs and expenses incurred by the Buyer to load the Vessel with fuel oil, lubricating oil, greases, fresh water and other stores necessary to operate the Vessel after the Closing as well as in connection with the delivery of the Vessel to the delivery port (ballast) shall be for the Buyer's account.

SECTION 7.03. Concurrent Share Purchase Agreements. The parties hereto shall enter into Share Purchase Agreements for, and consummate, the Acquisitions substantially concurrently with the transactions contemplated hereby on terms substantially similar to those provided for herein.

SECTION 7.04. New Credit Facility. As promptly as is reasonably practicable following the date hereof, Buyer will use its reasonable best efforts to enter into a senior secured syndicated credit facility (the "Facility") led by ING Bank N.V., London Branch, with a number of international banks as additional lenders, substantially on the terms and conditions set forth in Schedule I hereto.

ARTICLE VIII

Conditions to Closing

SECTION 8.01. Conditions to the Obligations of Seller and Buyer. The obligations of Seller and Buyer to effect the Closing shall be subject to the fulfillment or waiver by Seller and Buyer on or prior to the Closing Date of the following condition:

(a) No Governmental Authority shall have entered any order that remains in effect which would restrain, enjoin or otherwise prevent the performance of this Agreement or the consummation of any of the transactions contemplated hereby in accordance with the terms of this Agreement.

SECTION 8.02. Conditions to the Obligation of Buyer. The obligation of Buyer to effect the Closing shall be subject to the satisfaction or waiver by Buyer on or prior to the Closing Date of each of the following conditions:

(a) Each of the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date, with the same effect as though those representations and warranties had been made on and as of the Closing Date, except to

the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty need only be so true and correct as of such date.

(b) Seller shall have duly performed and complied in all material respects with all covenants and agreements contained in this Agreement that are required to be performed or complied with by Seller at or before the Closing.

SECTION 8.03. Conditions to the Obligation of Seller. The obligation of Seller to effect the Closing shall be subject to the satisfaction or waiver by Seller on or prior to the Closing Date of each of the following conditions:

(a) Each of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date, with the same effect as though those representations and warranties had been made on and as of the Closing Date, except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty need only be so true and correct as of such date.

(b) Buyer shall have duly performed and complied in all material respects with all covenants and agreements contained in this Agreement that are required to be performed or complied with by Buyer at or before the Closing.

ARTICLE IX

Indemnification

SECTION 9.01. Survival. None of the representations and warranties of Seller or Buyer set forth in this Agreement shall survive the Closing; provided, that the representations and warranties of Seller set forth in Section 4.04 (Good and Marketable Title to Shares) and Section 4.05 (The Shares) shall survive indefinitely following the Closing.

SECTION 9.02. Indemnity by the Seller. The Seller shall be liable for, and shall indemnify the Buyer and each of its subsidiaries and each of their directors, employees, agents and representatives (the "Buyer Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Buyer Indemnitee:

by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Seller in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Seller;

(b) any fees, expenses or other payments incurred or owed by the Seller or the Vessel Owning Subsidiary to any brokers, financial advisors or comparable other persons retained or employed by it in connection with the transactions contemplated by this Agreement; or

(c) by reason of, arising out of or otherwise in respect of obligations, liabilities, expenses, cost and claims relating to, arising from or otherwise attributable to the assets owned by the Vessel Owning Subsidiary or the assets, operations, and obligations of the Vessel Owning Subsidiary or the businesses thereof, in each case, to the extent relating to, arising from, or otherwise attributable to facts, circumstances or events occurring prior to the Closing Date.

SECTION 9.03. Indemnity by the Buyer. The Buyer shall indemnify the Seller and its subsidiaries other than any Buyer Indemnitees and each of their respective officers, directors, employees, agents and representatives (the "Seller Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Seller Indemnitee by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules occurring after the date hereof or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Buyer in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Buyer.

SECTION 9.04. Exclusive Post-Closing Remedy. After the Closing, and except for any non-monetary, equitable relief to which any Party may be entitled, or any remedies for willful misconduct or actual fraud, the rights and remedies set forth in this Article IX shall constitute the sole and exclusive rights and remedies of the Parties under or with respect to the subject matter of this Agreement.

ARTICLE X

SECTION 10.01. Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) By mutual written consent of Seller and Buyer;

(b) By Seller or Buyer, by written notice to the other party, if the Closing shall not have occurred by December 31, 2013, unless such date is extended by the mutual written consent of Seller and Buyer; provided, that no party may terminate this Agreement pursuant to this Section 10.01(b) if that party has breached its obligations under this Agreement in a manner that shall have proximately contributed to the failure of the Closing to occur by such date;

(c) By either Seller or Buyer, by written notice to the other party, if:

(A) the other party has (and the terminating party shall not have) failed to perform and comply with, in all material respects, all agreements, covenants and conditions hereby required to have been performed or complied with by such party prior to the time of such termination, and such failure shall not have been cured within 60 days following written notice of such failure, or

(B) a Governmental Authority shall have issued any order permanently restraining, enjoining or otherwise prohibiting the Closing, and such order shall have become final and non appealable, or (B) any Law shall have been enacted by any Governmental Authority which prohibits the consummation of the Closing.

SECTION 10.02. Effect of Termination. In the event of the termination of this Agreement pursuant to Section 10.01, this Agreement shall become void and have no effect, without any liability to any Person in respect hereof or of the transactions contemplated hereby on the part of any party hereto, or any of its directors, officers, employees, agents, legal and financial advisors, representatives, stockholders or affiliates; provided, however, that the agreements contained in Section 7.03 (Expenses), this Section 10.02 and Article XI shall survive the termination of this Agreement.

ARTICLE XI

Miscellaneous

SECTION 11.01. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and to be performed wholly within such jurisdiction without giving effect to conflict of law principles thereof other than Section 5-1401 of the New York General Obligations Law, except to the extent that it is mandatory that the law of some other jurisdiction, wherein the Vessel is located, shall apply.

SECTION 11.02. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

SECTION 11.03. Complete Agreement. This Agreement and Schedules hereto contain the entire agreement between the parties hereto with respect to the transactions contemplated herein and, except as provided herein, supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings.

SECTION 11.04. Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 11.05. Severability. If any of the provisions of this Agreement are held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any governmental body having jurisdiction over the subject matter hereof, such contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, and an equitable adjustment shall be made and necessary provision added so as to give effect, as nearly as possible, to the intention of the Parties as expressed in this Agreement at the time of execution of this Agreement.

SECTION 11.06. Third Party Rights. Except to the extent provided in Article X, a Person who is not a party to this Agreement has no right to enforce or to enjoy the benefit of any term of this Agreement.

SECTION 11.07. Notices. Any notice, claim or demand in connection with this Agreement shall be delivered to the parties at the following addresses (or at such other address or facsimile number for a party as may be designated by notice by such party to the other party):

(a) if to Capital Maritime & Trading Corp., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Evangelos M. Marinakis
Facsimile: +30 210 428 4286

(b) if to Capital Product Partners L.P., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Ioannis E. Lazaridis
Facsimile: +30 210 428 4285

and any such notice shall be deemed to have been received (i) on the next working day in the place to which it is sent, if sent by facsimile or (ii) forty eight (48) hours from the time of dispatch, if sent by courier.

SECTION 11.08. Representations and Warranties to Survive. All representations and warranties of the Buyer and Seller contained in this Agreement shall survive the Closing and shall remain operative and in full force and effect after the Closing, regardless of (a) any investigation made by or on behalf of any Party or its affiliates, any Person controlling any Party, its officers or directors, and (b) delivery of and payment for the Shares.

SECTION 11.09. Remedies. Except as expressly provided in Section 9.03, the rights, obligations and remedies created by this Agreement are cumulative and in addition to any other rights, obligations or remedies otherwise available at law or in equity. Except as expressly provided in this Agreement, nothing in this Agreement will be considered an election of remedies.

SECTION 11.10. Non-recourse to General Partner. Neither the Buyer's general partner nor any other owner of Equity Interests in the Buyer shall be liable for the obligations of the Buyer under this Agreement or any of the related transaction documents, including, in each case, by reason of any payment obligation imposed by governing partnership statutes.

SECTION 11.11. Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each parties hereto. By an

instrument in writing the Buyer, on the one hand, or the Seller, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be signed as of the date first above written.

CAPITAL MARITIME & TRADING CORP.,

by /s/ Evangelos M. Marinakis
Name: Evangelos M. Marinakis
Title: President and Chief Executive Officer

CAPITAL PRODUCT PARTNERS L.P.

by Capital GP L.L.C., its general partner

by /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP, L.L.C.

SCHEDULE I

THE FACILITY

- The Facility is expected to be an up to US $200,000,000 senior secured credit facility, and is expected to be non-amortizing until March 2016 with a final maturity date in March 2021.
- Approximately US $75,000,000 is expected to be immediately available to partially fund modern product and post panamax container acquisitions.
- The Facility is expected to carry a rate of LIBOR + 350 basis points and a commitment fee of 100 basis points.
- Entry into the Facility by the lenders (including ING Bank N.V., London Branch) is subject to satisfactory definitive documentation and other conditions, and availability of funds under the Facility will be subject to various customary conditions.

Exhibit 4.66

SHARE PURCHASE AGREEMENT

Dated 9 August 2013

between

CAPITAL MARITIME & TRADING CORP.

and

CAPITAL PRODUCT PARTNERS L.P.

Thiseas Container Carrier S.A. – 100 Shares

Hyundai Privilege

TABLE OF CONTENTS

SHARE PURCHASE AGREEMENT (the "Agreement"), dated as of 9 August 2013, by and between CAPITAL MARITIME & TRADING CORP. (the "Seller"), a corporation organized under the laws of the Republic of the Marshall Islands, and CAPITAL PRODUCT PARTNERS L.P. (the "Buyer"), a limited partnership organized under the laws of the Republic of the Marshall Islands.

WHEREAS, the Buyer wishes to purchase from the Seller, and the Seller wishes to sell to the Buyer, the one hundred (100) shares of capital stock (the "Shares") representing all of the issued and outstanding shares of capital stock of Thiseas Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia with its registered office at 80 Broad Street, Monrovia, Liberia (the "Vessel Owning Subsidiary").

WHEREAS, the Vessel Owning Subsidiary is the registered owner of the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PRIVILEGE" (the "Vessel").

WHEREAS, the Vessel is employed under a charter time charter ("NYPE" form) dated 18 July 2011 by Hyundai Merchant Marine Co. Ltd. a company incorporating in Korea and whose registered office is at 1-7 Yeonji-Dong, Jongno-Gu, Seoul, Korea, as charterer (the "**Charterer**") for a duration of 12 years commenced on 31st May 2013 (as amended on 18 July 2011, the "Charter").

WHEREAS, contemporaneously with the Closing, the Buyer and Capital Ship Management Corp. ("CSM") will execute an amendment to the Floating Rate Management Agreement dated the 9th day of June 2011 and entered into between the Buyer and CSM as same has been amended and/or supplemented from time to time (the "Amendment to the Management Agreement").

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer and Seller shall enter into a Share Purchase Agreement, whereby the Buyer will purchase from the Seller, and the Seller will sell to the Buyer for a purchase price of US Dollars 65,000,000, the one hundred (100) shares of capital stock representing all of the issued and outstanding shares of capital stock of Cronus Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia, which has title to the Liberian flagged 5,000 TEUS class container carrier "HYUNDAI PLATINUM" (the "HYUNDAI PLATINUM Acquisition").

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer and Seller shall enter into a Share Purchase Agreement, whereby the Buyer will purchase from the Seller, and the Seller will sell to the Buyer for a purchase price of US Dollars 65,000,000, the one hundred (100) shares of capital stock representing all of the issued and outstanding shares of capital stock of Anax Container Carrier S.A., a corporation organized under the laws of the Republic of Liberia, which has title to the Liberian flagged 5,000 TEUS class container carrier "CCNI ANGOL" (ex Hyundai Prestige) (the "CCNI ANGOL Acquisition" and, together with the HYUNDAI PLATINUM Acquisition, the "Acquisitions").

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

Interpretation

SECTION 1.01. Definitions. In this Agreement, unless the context requires otherwise or unless otherwise specifically provided herein, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Agreement" means this Agreement, including its recitals and schedules, as amended, supplemented, restated or otherwise modified from time to time;

"Amendment to the Management Agreement" has the meaning given to it in the recitals;

"Applicable Law" in respect of any Person, property, transaction or event, means all laws, statutes, ordinances, regulations, municipal by-laws, treaties, judgments and decrees applicable to that Person, property, transaction or event and, whether or not having the force of law, all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders, codes of practice and policies of any Governmental Authority having or purporting to have authority over that Person, property, transaction or event and all general principles of common law and equity;

"Buyer" has the meaning given to it in the preamble;

"Buyer Entities" means the Buyer and its subsidiaries;

"Buyer Indemnitees" has the meaning given to it in Section 9.01;

"Charter" has the meaning given to it in the recitals;

"Charterer" has the meaning given to it in the recitals;

"Closing" has the meaning given to it in Section 2.02;

"Closing Date" has the meaning given to it in Section 2.02;

"Commission" has the meaning given to it in Section 7.03;

"Commitment" means (a) options, warrants, convertible securities, exchangeable securities, subscription rights, conversion rights, exchange rights or other contracts that could require a Person to issue any of its equity interests or to sell any equity interests it owns in another Person (other than this Agreement and the related transaction documents); (b) any other securities convertible into, exchangeable or exercisable for, or representing the right to subscribe for any equity interest of a Person or owned by a Person; and (c) stock appreciation rights, phantom stock, profit participation, or other similar rights with respect to a Person;

"Contracts" has the meaning given to it in Section 5.08;

"CSM" has the meaning given to it in the recitals;

"Encumbrance" means any mortgage, lien, charge, assignment, adverse claim, hypothecation, restriction, option, covenant, condition or encumbrance, whether fixed or floating, on, or any security interest in, any property whether real, personal or mixed, tangible or intangible, any pledge or hypothecation of any property, any deposit arrangement, priority, conditional sale agreement, other title retention agreement or equipment trust, capital lease or other security arrangements of any kind;

"Equity Interest" means (a) with respect to any entity, any and all shares of capital stock or other ownership interest and any Commitments with respect thereto, (b) any other direct equity ownership or participation in a Person and (c) any Commitments with respect to the interests described in (a) or (b);

"Exchange Act" has the meaning given to it in Section 7.03;

"Facility" has the meaning given to it in Section 7.04;

"Governmental Authority" means any domestic or foreign government, including federal, provincial, state, municipal, county or regional government or governmental or regulatory authority, domestic or foreign, and includes any department, commission, bureau, board, administrative agency or regulatory body of any of the foregoing and any multinational or supranational organization;

"Losses" means, with respect to any matter, all losses, claims, damages, liabilities, deficiencies, costs, expenses (including all costs of investigation, legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) or diminution of value, whether or not involving a claim from a third party, however specifically excluding consequential, special and indirect losses, loss of profit and loss of opportunity;

"Notice" means any notice, citation, directive, order, claim, litigation, investigation, proceeding, judgment, letter or other communication, written or oral, actual or threatened, from any Person;

"Organizational Documents" has the meaning given to it in Section 5.03;

"Parties" means all parties to this Agreement and "Party" means any one of them;

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership of the Buyer dated February 22, 2010, as amended from time to time.

"Person" means an individual, entity or association, including any legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, unincorporated organization or Governmental Authority;

"Permits" has the meaning given to it in Section 5.13;

"Purchase Price" has the meaning given to it in Section 2.04;

"Securities Act" means the Securities Act of 1933, as amended from time to time;

"Seller" has the meaning given to it in the preamble;

"Seller Entities" means the Seller and its affiliates other than the Buyer Entities;

"Seller Indemnities" has the meaning given to it in Section 9.02;

"Shares" has the meaning given to it in the recitals;

"Taxes" means all income, franchise, business, property, sales, use, goods and services or value added, withholding, excise, alternate minimum capital, transfer, excise, customs, anti-dumping, stumpage, countervail, net worth, stamp, registration, franchise, payroll, employment, health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, dues and charges and other taxes required to be reported upon or paid to any domestic or foreign jurisdiction and all interest and penalties thereon;

"Vessel" has the meaning given to it in the recitals; and

"Vessel Owning Subsidiary" has the meaning given to it in the recitals.

ARTICLE II

Purchase and Sale of Shares; Closing

SECTION 2.01. Purchase and Sale of Shares. At the Closing, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller for the Purchase Price and in accordance with and subject to the terms and conditions set forth in this Agreement, the Shares which in turn shall result in the Buyer indirectly owning the Vessel.

SECTION 2.02. Closing. The closing (the "Closing") shall take place on the Business Day following the satisfaction or waiver of the conditions set forth in Article VIII (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), at such place, time and date as the parties may agree. The "Closing Date" shall be the date upon which the Closing occurs.

SECTION 2.03. Place of Closing. The Closing shall take place at the premises of CSM at 3 Iassonos Street, Piraeus, Greece.

SECTION 2.04. Purchase Price for Shares. On the Closing Date, the Buyer shall pay to the Seller (to such account as the Seller shall nominate) the amount of US Dollars 65,000,000 (the "Purchase Price") in exchange for the Shares. The Buyer shall have no responsibility or liability hereunder for the Seller's allocation and distribution of the Purchase Price among the Seller Entities.

SECTION 2.05. Payment of the Purchase Price. The Purchase Price (to the extent paid in US Dollars) will be paid by the Buyer to the Seller of the Shares by wire transfer of immediately available funds to an account designated in writing by the Seller.

ARTICLE III

Representations and Warranties of the Buyer

The Buyer represents and warrants to the Seller that as of the date hereof:

SECTION 3.01. Organization and Limited Partnership Authority. The Buyer is duly formed, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite limited partnership power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Buyer, has been effectively authorized by all necessary action, limited partnership or otherwise, and constitutes legal, valid and binding obligations of the Buyer. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Buyer.

SECTION 3.02. Agreement Not in Breach of Other Instruments. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Buyer is a party or by which it is bound, the Certificate of Formation and the Partnership Agreement, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Buyer is bound, or any law, rule or regulation applicable to the Buyer which would have a material effect on the transactions contemplated hereby.

SECTION 3.03. No Legal Bar. The Buyer is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Buyer which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 3.04. Securities Act. The Shares purchased by the Buyer pursuant to this Agreement are being acquired for investment purposes only and not with a view to any public distribution thereof, and the Buyer shall not offer to sell or otherwise dispose of the Shares so acquired by it in violation of any of the registration requirements of the Securities Act. The Buyer acknowledges that it is able to fend for itself, can bear the economic risk of its investment in the Shares, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in all of the Shares. The Buyer is an “accredited investor” as such term is defined in Regulation D under the Securities Act. The Buyer understands that, when issued to the Buyer at the Closing, none of the Shares will be registered pursuant to the Securities Act and that all of the Shares will constitute “restricted securities” under the federal securities laws of the United States.

SECTION 3.05. Independent Investigation. The Buyer has had the opportunity to conduct to its own satisfaction independent investigation, review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Vessel Owning Subsidiary and, in making the determination to proceed with the transactions contemplated hereby, has relied solely on the results of its own independent investigation and the representations and warranties set forth in Articles IV, V and VI.

ARTICLE IV

Representations and Warranties of the Seller

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 4.01. Organization and Corporate Authority. The Seller is duly incorporated, validly existing and in good standing under the laws of the Republic of the Marshall Islands, and has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Seller, has been effectively authorized by all necessary action, corporate or otherwise, and constitutes legal, valid and binding obligations of the Seller. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Seller.

SECTION 4.02. Agreement Not in Breach. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, or conflict with, any agreement or other instrument to which the Seller is a party or by which it is bound, the Articles of Incorporation and Bylaws of the Seller, any judgment, decree, order or award of any court, governmental body or arbitrator by which the Seller is bound, or any law, rule or regulation applicable to the Seller.

SECTION 4.03. No Legal Bar. The Seller is not prohibited by any order, writ, injunction or decree of any body of competent jurisdiction from consummating the transactions contemplated by this Agreement and no such action or proceeding is pending or, to the best of its knowledge and belief, threatened against the Seller which questions the validity of this Agreement, any of the transactions contemplated hereby or any action which has been taken by any of the parties in connection herewith or in connection with any of the transactions contemplated hereby.

SECTION 4.04. Good and Marketable Title to Shares. The Seller is the owner (of record and beneficially) of all of the Shares and has good and marketable title to the Shares, free and clear of any and all Encumbrances. The Shares constitute 100% of the issued and outstanding Equity Interests of the Vessel Owning Subsidiary.

SECTION 4.05. The Shares. Assuming the Buyer has the requisite power and authority to be the lawful owner of the Shares, upon delivery to the Buyer at the Closing of certificates representing the Shares, duly endorsed by the Seller for transfer to the Buyer or accompanied by appropriate instruments sufficient to evidence the transfer from the Seller to the Buyer of the Shares under the Applicable Laws of the relevant jurisdiction, or delivery of such Shares by electronic means, and upon the Seller's receipt of the Purchase Price, the Buyer shall own good and valid title to the Shares, free and clear of any Encumbrances, other than those arising from acts of the Buyer Entities. Other than this Agreement and any related transaction documents, the Organizational Documents and restrictions imposed by Applicable Law, at the Closing, the Shares will not be subject to any voting trust agreement or other contract, agreement, arrangement, commitment or understanding restricting or otherwise relating to the voting, dividend rights or disposition of the Shares, other than any agreement to which any Buyer Entity is a party.

ARTICLE V

Representations and Warranties of the Seller Regarding the Vessel Owning Subsidiary

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 5.01. Organization Good Standing and Authority. The Vessel Owning Subsidiary is a corporation duly incorporated, validly existing and in good standing under the laws of the Republic of Liberia. The Vessel Owning Subsidiary has full corporate power and authority to carry on its business as it is now, and has since its incorporation been, conducted, and is entitled to own, lease or operate the properties and assets it now owns, leases or operates and to enter into legal and binding contracts. No meeting has been convened or resolution proposed or petition presented and no order has been made to wind up the Vessel Owning Subsidiary.

SECTION 5.02. Capitalization; Title to Shares. The Shares consist of the 100 shares of capital stock without par value and have been duly authorized and validly issued and are fully paid and non-assessable, and constitute the total issued and outstanding Equity Interests of the Vessel Owning Subsidiary. There are not outstanding (i) any options, warrants or other rights to purchase from the Vessel Owning Subsidiary any equity interests of the Vessel Owning Subsidiary, (ii) any securities convertible into or exchangeable for shares of such equity interests of the Vessel Owning Subsidiary or (iii) any other commitments of any kind for the issuance of additional shares of equity interests or options, warrants or other securities of the Vessel Owning Subsidiary.

SECTION 5.03. Organizational Documents. The Seller has supplied to the Buyer true and correct copies of the organizational documents of the Vessel Owning Subsidiary, as in effect as of the date hereof (the "Organizational Documents").

SECTION 5.04. Agreement Not in Breach. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate, or

result in a breach of, any of the terms and provisions of, or constitute a default under, or conflict with, or give any other party thereto a right to terminate any agreement or other instrument to which the Vessel Owning Subsidiary is a party or by which it is bound including, without limitation, any of the Organizational Documents, or any judgment, decree, order or award of any court, governmental body or arbitrator applicable to the Vessel Owning Subsidiary.

SECTION 5.05. Litigation.

(a) There is no action, suit or proceeding to which the Vessel Owning Subsidiary is a party (either as a plaintiff or defendant) pending before any court or governmental agency, authority or body or arbitrator; there is no action, suit or proceeding threatened against the Vessel Owning Subsidiary; and, to the best knowledge of the Seller, there is no basis for any such action, suit or proceeding;

(b) The Vessel Owning Subsidiary has not been permanently or temporarily enjoined by any order, judgment or decree of any court or any governmental agency, authority or body from engaging in or continuing any conduct or practice in connection with the business, assets, or properties of the Vessel Owning Subsidiary; and

(c) There is not in existence any order, judgment or decree of any court or other tribunal or other agency enjoining or requiring the Vessel Owning Subsidiary to take any action of any kind with respect to its business, assets or properties.

SECTION 5.06. Indebtedness to and from Officers, etc. The Vessel Owning Subsidiary will not be indebted, directly or indirectly, to any person who is an officer, director, stockholder or employee of the Seller or any spouse, child, or other relative or any affiliate of any such person, nor shall any such officer, director, stockholder, employee, relative or affiliate be indebted to the Vessel Owning Subsidiary.

SECTION 5.07. Personnel. The Vessel Owning Subsidiary has no employees.

SECTION 5.08. Contracts and Agreements. Other than the Charter and the Amendment to the Management Agreement (together, the "Contracts"), there are no material contracts or agreements, written or oral, to which the Vessel Owning Subsidiary is a party or by which any of its assets are bound.

(a) Each of the Contracts is a valid and binding agreement of the Vessel Owning Subsidiary, and to the best knowledge of the Seller, of all other parties thereto;

(b) The Vessel Owning Subsidiary has fulfilled all material obligations required pursuant to its Contracts to have been performed by it prior to the date hereof and has not waived any material rights thereunder, including payment in full of the purchase price for the Vessel, together with any other payments of the Vessel Owning Subsidiary due thereunder; and

(c) There has not occurred any material default under any of the Contracts on the part of the Vessel Owning Subsidiary, or to the best knowledge of the Seller, on the part of any other party thereto nor has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of the Vessel Owning Subsidiary

under any of the Contracts nor, to the best knowledge of the Seller, has any event occurred which with the giving of notice or the lapse of time, or both, would constitute any material default on the part of any other party to any of the Contracts.

SECTION 5.09. Compliance with Law. The conduct of business by the Vessel Owning Subsidiary does not and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate any laws, statutes, ordinances, rules, regulations, decrees, orders, permits or other similar items in force (including, but not limited to, any of the foregoing relating to employment discrimination, environmental protection or conservation) of any country, province, state or other governing body, the enforcement of which would materially and adversely affect the business, assets, condition (financial or otherwise) or prospects of the Vessel Owning Subsidiary taken as a whole, nor has the Vessel Owning Subsidiary received any notice of any such violation.

SECTION 5.10. No Undisclosed Liabilities. The Vessel Owning Subsidiary (or the Vessel owned by it) has no liabilities or obligations of any nature, whether absolute, accrued, contingent or otherwise, and whether due or to become due. Notwithstanding the foregoing, the Parties acknowledge and agree that there may be obligations under the Contracts that are not due and payable as of the date hereof and that will be the responsibility of the Seller pursuant to Section 9.01(c) of this Agreement.

SECTION 5.11. Disclosure of Information. The Seller has disclosed to the Buyer all material information on, and about, the Vessel Owning Subsidiary and the Vessel and all such information is true, accurate and not misleading in any material respect. Nothing has been withheld from the material provided to the Buyer which would render such information untrue or misleading.

SECTION 5.12. Payment of Taxes. The Vessel Owning Subsidiary has filed all foreign, federal, state and local income and franchise tax returns required to be filed, which returns are correct and complete in all material respects, and has timely paid all taxes due from it, and the Vessel is in good standing with respect to the payment of past and current Taxes, fees and other amounts payable under the laws of the jurisdiction where it is registered as would affect its registry with the ship registry of such jurisdiction.

SECTION 5.13. Permits. The Vessel Owning Subsidiary has such permits, consents, licenses, franchises, concessions, certificates and authorizations ("Permits") of, and has all declarations and filings with, and is qualified and in good standing in each jurisdiction of, all federal, provincial, state, local or foreign Governmental Authorities and other Persons, as are necessary to own or lease its properties and to conduct its business in the manner that is standard and customary for a business of its nature other than such Permits the absence of which, individually or in the aggregate, has not and could not reasonably be expected to materially or adversely affect the Vessel Owning Subsidiary. The Vessel Owning Subsidiary has fulfilled and performed all its obligations with respect to such Permits which are or will be due to have been fulfilled and performed by such date and no event has occurred that would prevent the Permits from being renewed or reissued or that allows, or after notice or lapse of time would allow, revocation or termination thereof or results or would result in any impairment of the rights of the holder of any such Permit, except for such non-renewals, non-issues, revocations, terminations

and impairments that would not, individually or in the aggregate, materially or adversely affect the Vessel Owning Subsidiary, and none of such Permits contains any restriction that is materially burdensome to the Vessel Owning Subsidiary.

SECTION 5.14. No Material Adverse Change in Business. Since December 31, 2011, there has been no material adverse change in the condition, financial or otherwise, or in the earnings, properties, business affairs or business prospects of the Vessel Owning Subsidiary, whether or not arising in the ordinary course of business, that would have or could reasonably be expected to have a material adverse effect on the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Vessel Owning Subsidiary.

ARTICLE VI

Representations and Warranties of the Seller regarding the Vessel

The Seller represents and warrants to the Buyer that as of the date hereof:

SECTION 6.01. Title to Vessel. The Vessel Owning Subsidiary is the owner (beneficially and of record) of the Vessel and has good and marketable title to the Vessel.

SECTION 6.02. No Encumbrances. The assets of the Vessel Owning Subsidiary and the Vessel are free of all Encumbrances other than the Encumbrances arising under the Charter.

SECTION 6.03. Condition. The Vessel is (i) adequate and suitable for use by the Vessel Owning Subsidiary in the manner that is standard and customary for a vessel of its type, ordinary wear and tear excepted; (ii) seaworthy in all material respects for hull and machinery insurance warranty purposes and in good running order and repair; (iii) insured against all risks, and in amounts, consistent with common industry practices; (iv) in compliance with maritime laws and regulations; and (v) in compliance in all material respects with the requirements of its class and classification society; and all class certificates of the Vessel are clean and valid and free of recommendations affecting class; and the Buyer acknowledges and agrees that, subject only to the representations and warranties in this Agreement, it is acquiring the Vessel on an “as is, where is” basis.

ARTICLE VII

Covenants

SECTION 7.01. Financial Statements. The Seller agrees to cause the Vessel Owning Subsidiary to provide access to the books and records of the Vessel Owning Subsidiary to allow the Buyer’s outside auditing firm to prepare at the Buyer’s expense any information, review or audit the Buyer reasonably believes is required to be furnished or provided by the Buyer pursuant to applicable securities laws. The Seller will (A) direct its auditors to provide the Buyer’s auditors access to the auditors’ work papers and (B) use its commercially reasonable

efforts to assist the Buyer with any such information, review or audit and to provide other financial information reasonably requested by the Buyer or its auditors, including the delivery by the Seller Entities of any information, letters and similar documentation, including reasonable "management representation letters" and attestations.

SECTION 7.02. Expenses. All costs, fees and expenses incurred in connection with this Agreement and the related transaction documents shall be paid by the Buyer, including all costs, fees and expenses incurred in connection with conveyance fees, recording charges and other fees and charges applicable to the transfer of the Shares. For the avoidance of doubt, all costs and expenses incurred by the Buyer to load the Vessel with fuel oil, lubricating oil, greases, fresh water and other stores necessary to operate the Vessel after the Closing as well as in connection with the delivery of the Vessel to the delivery port (ballast) shall be for the Buyer's account.

SECTION 7.03. Concurrent Share Purchase Agreements. The parties hereto shall enter into Share Purchase Agreements for, and consummate, the Acquisitions substantially concurrently with the transactions contemplated hereby on terms substantially similar to those provided for herein.

SECTION 7.04. New Credit Facility. As promptly as is reasonably practicable following the date hereof, Buyer will use its reasonable best efforts to enter into a senior secured syndicated credit facility (the "Facility") led by ING Bank N.V., London Branch, with a number of international banks as additional lenders, substantially on the terms and conditions set forth in Schedule I hereto.

ARTICLE VIII

Conditions to Closing

SECTION 8.01. Conditions to the Obligations of Seller and Buyer. The obligations of Seller and Buyer to effect the Closing shall be subject to the fulfillment or waiver by Seller and Buyer on or prior to the Closing Date of the following condition:

(a) No Governmental Authority shall have entered any order that remains in effect which would restrain, enjoin or otherwise prevent the performance of this Agreement or the consummation of any of the transactions contemplated hereby in accordance with the terms of this Agreement.

SECTION 8.02. Conditions to the Obligation of Buyer. The obligation of Buyer to effect the Closing shall be subject to the satisfaction or waiver by Buyer on or prior to the Closing Date of each of the following conditions:

(a) Each of the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date, with the same effect as though those representations and warranties had been made on and as of the Closing Date, except to

the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty need only be so true and correct as of such date.

(b) Seller shall have duly performed and complied in all material respects with all covenants and agreements contained in this Agreement that are required to be performed or complied with by Seller at or before the Closing.

SECTION 8.03. Conditions to the Obligation of Seller. The obligation of Seller to effect the Closing shall be subject to the satisfaction or waiver by Seller on or prior to the Closing Date of each of the following conditions:

(a) Each of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects, in each case, as of the date of this Agreement and as of the Closing Date, with the same effect as though those representations and warranties had been made on and as of the Closing Date, except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty need only be so true and correct as of such date.

(b) Buyer shall have duly performed and complied in all material respects with all covenants and agreements contained in this Agreement that are required to be performed or complied with by Buyer at or before the Closing.

ARTICLE IX

Indemnification

SECTION 9.01. Survival. None of the representations and warranties of Seller or Buyer set forth in this Agreement shall survive the Closing; provided, that the representations and warranties of Seller set forth in Section 4.04 (Good and Marketable Title to Shares) and Section 4.05 (The Shares) shall survive indefinitely following the Closing.

SECTION 9.02. Indemnity by the Seller. The Seller shall be liable for, and shall indemnify the Buyer and each of its subsidiaries and each of their directors, employees, agents and representatives (the "Buyer Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Buyer Indemnitee:

(a) by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Seller in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Seller;

(b) any fees, expenses or other payments incurred or owed by the Seller or the Vessel Owning Subsidiary to any brokers, financial advisors or comparable other persons retained or employed by it in connection with the transactions contemplated by this Agreement; or

(c) by reason of, arising out of or otherwise in respect of obligations, liabilities, expenses, cost and claims relating to, arising from or otherwise attributable to the assets owned by the Vessel Owning Subsidiary or the assets, operations, and obligations of the Vessel Owning Subsidiary or the businesses thereof, in each case, to the extent relating to, arising from, or otherwise attributable to facts, circumstances or events occurring prior to the Closing Date.

SECTION 9.03. Indemnity by the Buyer. The Buyer shall indemnify the Seller and its subsidiaries other than any Buyer Indemnitees and each of their respective officers, directors, employees, agents and representatives (the "Seller Indemnitees") against and hold them harmless from, any Losses, suffered or incurred by such Seller Indemnitee by reason of, arising out of or otherwise in respect of any inaccuracy in, or breach of, any representation or warranty (without giving effect to any supplement to the schedules occurring after the date hereof or qualifications as to materiality or dollar amount or other similar qualifications), or a failure to perform or observe any covenant, agreement or obligation of, the Buyer in or under this Agreement or in or under any document, instrument or agreement delivered pursuant to this Agreement by the Buyer.

SECTION 9.04. Exclusive Post-Closing Remedy. After the Closing, and except for any non-monetary, equitable relief to which any Party may be entitled, or any remedies for willful misconduct or actual fraud, the rights and remedies set forth in this Article IX shall constitute the sole and exclusive rights and remedies of the Parties under or with respect to the subject matter of this Agreement.

ARTICLE X

Termination

SECTION 10.01. Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) By mutual written consent of Seller and Buyer;

(b) By Seller or Buyer, by written notice to the other party, if the Closing shall not have occurred by December 31, 2013, unless such date is extended by the mutual written consent of Seller and Buyer; provided, that no party may terminate this Agreement pursuant to this Section 10.01(b) if that party has breached its obligations under this Agreement in a manner that shall have proximately contributed to the failure of the Closing to occur by such date;

(c) By either Seller or Buyer, by written notice to the other party, if:

(i) the other party has (and the terminating party shall not have) failed to perform and comply with, in all material respects, all agreements, covenants and

conditions hereby required to have been performed or complied with by such party prior to the time of such termination, and such failure shall not have been cured within 60 days following written notice of such failure, or

(ii) a Governmental Authority shall have issued any order permanently restraining, enjoining or otherwise prohibiting the Closing, and such order shall have become final and non appealable, or (B) any Law shall have been enacted by any Governmental Authority which prohibits the consummation of the Closing.

SECTION 10.02. Effect of Termination. In the event of the termination of this Agreement pursuant to Section 10.01, this Agreement shall become void and have no effect, without any liability to any Person in respect hereof or of the transactions contemplated hereby on the part of any party hereto, or any of its directors, officers, employees, agents, legal and financial advisors, representatives, stockholders or affiliates; provided, however, that the agreements contained in Section 7.03 (Expenses), this Section 10.02 and Article XI shall survive the termination of this Agreement.

ARTICLE XI

Miscellaneous

SECTION 11.01. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and to be performed wholly within such jurisdiction without giving effect to conflict of law principles thereof other than Section 5-1401 of the New York General Obligations Law, except to the extent that it is mandatory that the law of some other jurisdiction, wherein the Vessel is located, shall apply.

SECTION 11.02. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

SECTION 11.03. Complete Agreement. This Agreement and Schedules hereto contain the entire agreement between the parties hereto with respect to the transactions contemplated herein and, except as provided herein, supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings.

SECTION 11.04. Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 11.05. Severability. If any of the provisions of this Agreement are held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any governmental body having jurisdiction over the subject matter hereof, such contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, and an equitable

adjustment shall be made and necessary provision added so as to give effect, as nearly as possible, to the intention of the Parties as expressed in this Agreement at the time of execution of this Agreement.

SECTION 11.06. Third Party Rights. Except to the extent provided in Article X, a Person who is not a party to this Agreement has no right to enforce or to enjoy the benefit of any term of this Agreement.

SECTION 11.07. Notices. Any notice, claim or demand in connection with this Agreement shall be delivered to the parties at the following addresses (or at such other address or facsimile number for a party as may be designated by notice by such party to the other party):

(a) if to Capital Maritime & Trading Corp., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Evangelos M. Marinakis
Facsimile: +30 210 428 4286

(b) if to Capital Product Partners L.P., as follows:

c/o Capital Ship Management Corp.,
3 Iassonos Street, Piraeus, Greece
Attention: Ioannis E. Lazaridis
Facsimile: +30 210 428 4285

and any such notice shall be deemed to have been received (i) on the next working day in the place to which it is sent, if sent by facsimile or (ii) forty eight (48) hours from the time of dispatch, if sent by courier.

SECTION 11.08. Representations and Warranties to Survive. All representations and warranties of the Buyer and Seller contained in this Agreement shall survive the Closing and shall remain operative and in full force and effect after the Closing, regardless of (a) any investigation made by or on behalf of any Party or its affiliates, any Person controlling any Party, its officers or directors, and (b) delivery of and payment for the Shares.

SECTION 11.09. Remedies. Except as expressly provided in Section 9.03, the rights, obligations and remedies created by this Agreement are cumulative and in addition to any other rights, obligations or remedies otherwise available at law or in equity. Except as expressly provided in this Agreement, nothing in this Agreement will be considered an election of remedies.

SECTION 11.10. Non-recourse to General Partner. Neither the Buyer’s general partner nor any other owner of Equity Interests in the Buyer shall be liable for the obligations of the Buyer under this Agreement or any of the related transaction documents, including, in each case, by reason of any payment obligation imposed by governing partnership statutes.

SECTION 11.11. Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each parties hereto. By an instrument in writing the Buyer, on the one hand, or the Seller, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be signed as of the date first above written.

CAPITAL MARITIME & TRADING CORP.,

by /s/ Evangelos M. Marinakis
Name: Evangelos M. Marinakis
Title: President and Chief Executive Officer

CAPITAL PRODUCT PARTNERS L.P.

by Capital GP L.L.C., its general partner

by /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer and Chief Financial Officer of Capital GP, L.L.C.

[Signature Page to Share Purchase Agreement]

SCHEDULE I

THE FACILITY

- The Facility is expected to be an up to $200,000,000 senior secured credit facility, and is expected to be non-amortizing until March 2016 with a final maturity date in March 2021.
- Approximately US $75,000,000 is expected to be immediately available to partially fund modern product and post panamax container acquisitions.
- The Facility is expected to carry a rate of LIBOR + 350 basis points and a commitment fee of 100 basis points.
- Entry into the Facility by the lenders (including ING Bank N.V., London Branch) is subject to satisfactory definitive documentation and other conditions, and availability of funds under the Facility will be subject to various customary conditions.

Exhibit 4.78

Norwegian Shipbrokers' Association's
Memorandum of Agreement for sale and purchase of ships. Adopted by BIMCO in 1956. Code-name
SALEFORM 2012

Revised 1966, 1983 and 1986/87, 1993 and 2012.

MEMORANDUM OF AGREEMENT

Dated: **16th October 2013**

Goldilocks Maritime S.A. of Marshall Islands, hereinafter called the "Sellers", have agreed to sell, and

Aenaos Product Carrier S.A. of Liberia, hereinafter called the "Buyers", have agreed to buy

Name of vessel: **Aristarchos**

IMO Number: **9633501**

Classification Society/Class: **Lloyd's Register**

Class Notation: **+100A1, Double Hull Oil and Chemical Tanker, Ship Type2&3, CSR, ESP, Ship Right(CM, ACS(B)), *IWS, U, SPM4, EP(Bt, P, Vc), +LMC, IGS, UMS, Descriptive notes: COW(LR), ETA, Part Higher Tensile Steel, PL(LR), SBT(LR), ShipRight(BWMP(S, T), SCM, SERS, IHM**

Year of Build: **2013** Builder/Yard: **Hyundai Mipo Dockyard Co. Ltd., S. Korea**

Flag: **Bahamas** Place of Registration: **Nassau** GT/NT: **29,877/14,127**

Hereinafter called the "Vessel", on the following terms and conditions:

Definitions

"Banking days" are days on which banks are open in the country of the currency stipulated for the Purchase Price in Clause 1 (Purchase Price) and in the place of closing stipulated in Clause 8, in **Piraeus and Hamburg.**

~~(Documentation) and …….(*add additional jurisdictions as appropriate*).~~

"Buyers" Nominated Flag State" means **Liberia** ~~(*state flag state*).~~

"Class" means the class notation referred to above.

"Classification Society" means the Society referred to above.

"Deposit" shall have the meaning given in Clause 2 (Deposit)

"Deposit Holder" means **Credit Suisse, Basel or other branch** ~~*(state name and location of Deposit Holder)* or, if left blank, the Sellers' Bank, which shall hold and release the Deposit in accordance with this Agreement.~~

"In writing" or "written" means a letter handed over from the Sellers to the Buyers or vice versa, a registered letter, email or telefax.

"Parties" means the Sellers and the Buyers.

"Purchase Price" means the price for the Vessel as stated in Clause 1 (Purchase Price)

"Sellers' Account" means USD-Account No: 0073-1362806-42 / IBAN No: CH66 0438 5136 2806 4200 0 at the Sellers' Bank.

"Sellers' Bank" means **Credit Suisse, Basel**, *(Corporate & Institutional Clients, Ship Finance SGAS 51, St. Alban – Graben 1-3, 4002 Basel, Switzerland), SWIFT: CRESCHZZ80A* notified by the Sellers to the Buyers for receipt of the balance of the Purchase Price.

1. Purchase Price

The Purchase price is $38,030,300.00 (United States Dollars Thirty Eight Million Thirty Thousand Three Hundred Only) ~~*(state currency and amount both in words and figures)*~~

2. Deposit

As security for the correct fulfillment of this Agreement the Buyers shall lodge a deposit of 10% (ten per cent) ~~or, if left blank, 10% (ten per cent),~~ of the Purchase Price (the "Deposit") in a joint interest bearing account **between the Sellers and the Buyers** ~~for the parties~~ with the Deposit Holder within three (3) Banking days after the date, whichever the later, that:

(i) this Agreement has been signed by the Parties and exchanged in original or by e-mail or telefax; and

(ii) the Deposit Holder has confirmed in writing to the Parties that the account has been opened.

The Deposit shall be released in accordance with joint written instructions of the Parties.
Interest, if any, shall be credited to the Buyers. Any fee **or cost** charged for holding and releasing the Deposit shall be borne equally by the Parties. The Parties shall provide to the Deposit Holder all necessary documentation to open and maintain the account without delay. **Bank closing fees to be split equally by both parties.**

3. Payment

On delivery of the Vessel, but not later than three (3) Banking days after the date that Notice of Readiness has been duly given in accordance with Clause 5 (Time and place of delivery and notices):

(i) the Deposit shall be released to the Sellers' Account against documentation as per Clause 8 herein; and

(ii) The balance of the Purchase Price together with estimated amount for bunkers and lubricating oils **remaining on board based on the Sellers' and Buyers' agreed figures** and all other sums payable on delivery by the Buyers to the Sellers under this Agreement shall be paid in full free of bank charges to the Sellers' Account **against documentation as per Clause 8 herein**.

4. Inspection

(a) *The Buyers have ~~inspected and accepted~~ **waived their right to inspect** the Vessel's classification records. The Buyers have also **waived their right to inspect** ~~inspected~~ the Vessel. ~~at/in……*(state place)* on…… *(state date)*~~ and have accepted the Vessel ~~following this inspection~~ and the sale is outright and definite, subject only to the terms and conditions of this Agreement.

~~**(b)** *The Buyers shall have the right to inspect the Vessel's classification records and declare whether same are accepted or not within……*(state date/period)*~~

~~The Sellers shall make the Vessel available for inspection at/in (state place/range) within……*(state date/period)*.~~

~~The Buyers shall undertake the inspection without undue delay to the Vessel. Should the Buyers cause undue delay they shall compensate Sellers for the losses thereby incurred.~~

~~The Buyers shall inspect the Vessel without opening up and without cost to the Sellers.~~

~~During the inspection, the Vessel's deck engine log books shall be made available for examination by the Buyers.~~

~~The sale shall become outright and definite, subject only to the terms and conditions of this Agreement, provided that the Sellers receive written notice of acceptance of the Vessel from the Buyers within seventy-two (72) hours after completion of such inspection or after the Date/last day of the period stated in Line 59, whichever is the earlier.~~

~~Should the Buyers fail to undertake the inspection as scheduled and/or notice of acceptance of the Vessel's classification records and/or of the Vessel not be received by the Sellers as aforesaid, the Deposit together with interest earned, if any, shall be released immediately to the Buyers, whereafter this Agreement shall be null and void.~~

**4 (a) and 4(b) are alternatives; delete whichever is not applicable. In the absence of deletions, alternative 4(a) shall apply.*

5. Time and place of delivery and notices

(a) The Vessel shall be delivered and taken over safely afloat at a safe and accessible berth or anchorage at/in **US East Coast or US Gulf or Bahamas or Curacao or Aruba or East Coast Canada or UK – Continent range or Rio Grande – Buenos Aires range or Mediterranean Sea** (~~*state place/range*~~) in the Sellers' option. **To the extent possible, the Sellers shall try to avoid delivery in the Mediterranean Sea range.**

Notice of Readiness shall not be tendered before: **15th November 2013**~~*(date)*~~

Cancelling Date (see Clauses 5(c), 6(a)(iii) and 14:**16th December 2013**

(b) The Sellers shall keep the Buyers well informed of the Vessel's itinerary and shall provide the Buyers with ~~twenty~~**fifteen (15)**, ~~ten (10)~~, ~~five~~ **seven (7)** and **three (3) days' approximate** notice and **one (1) day definite notice** of the date the Sellers ~~intend~~ expect to tender Notice of Readiness and of the intended place of delivery.

When the Vessel is at the place of delivery and physically ready for delivery in accordance with this Agreement, the Sellers shall give the Buyers a written Notice of Readiness for delivery.

(c) If the Sellers anticipate that, notwithstanding the exercise of due diligence by them, the Vessel will not be ready for delivery by the Cancelling Date they may notify the Buyers in writing stating the date when they anticipate that the Vessel will be ready for delivery and proposing a new Cancelling Date. Upon receipt of such notification the Buyers shall have the option of either cancelling this Agreement in accordance with Clause 14 (Sellers' Default) within three (3) Banking Days of receipt of the notice or of accepting the new date as the new Cancelling Date. If the Buyers have not declared their option within three (3) Banking Days of receipt of the Sellers' notification or if the Buyers accept the new date, the date proposed in the Sellers' notification shall be deemed to be the new Cancelling Date and shall be substituted for the Cancelling Date stipulated in line 79.

If this Agreement is maintained with the new Cancelling Date all other terms and conditions hereof including those contained in Clauses 5 (b) and 5 (d) shall remain unaltered and in full force and effect.

(d) Cancellation, failure to cancel or acceptance of the new Cancelling Date shall be entirely without prejudice to any claim for damages the Buyers may have under Clause 14 (Sellers' Default) for the Vessel not being ready by the original Cancelling Date.

(e) Should the Vessel become an actual, constructive or compromised total loss before delivery the Deposit together with interest earned, if any, shall be released immediately to the Buyers whereafter this Agreement shall be null and void.

6. Divers inspection / Drydocking – See Rider Clause 19

~~(a)*~~

~~(i) The Buyers shall have the option at their cost and expense to arrange for an underwater inspection by a diver approved by the Classification Society prior to the delivery of the Vessel. Such option shall be declared latest nine (9) days prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement. The Sellers shall at their cost and expense make the Vessel available for such inspection. This inspection shall be carried out without undue delay and in the presence of a Classification Society surveyor arranged for by the Sellers and paid for by the Buyers. The Buyers' representative(s) shall have the right to be present at the diver's inspection as observer(s) only without interfering with the work or decisions of the~~

Classification Society surveyor. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification Society. If the conditions at the place of delivery are unsuitable for such inspection, the Sellers shall at their cost and expense make the Vessel available at a suitable alternative place near to the delivery port, in which event the Cancelling Date shall be extended by the additional time required for such positioning and the subsequent re-positioning. The Sellers may not tender Notice of Readiness prior to completion of the underwater inspection.

(ii) If the rudder, propeller, bottom or other underwater parts below the deepest loadline are found broken, damaged or defective so as to affect the Vessel's class, then (1) unless repairs can be carried out afloat to the satisfaction of the Classification Society, the Sellers shall arrange for the Vessel to be drydocked at their expense for inspection by the Classification Society of the Vessel's underwater parts below the deepest loadline, the extent of the inspection being in accordance with the Classification Society's rules (2) such defects shall be made good by the Sellers at their cost and expense to the satisfaction of the Classification Society without condition/recommendation** and (3) the Sellers shall pay for the underwater inspection and the Classification Society's attendance.

Notwithstanding anything to the contrary in this Agreement, if the Classification Society do not require the aforementioned defects to be rectified before the next class drydocking survey, the Sellers shall be entitled to deliver the Vessel with these defects against a deduction from the Purchase Price of the estimated direct cost (of labour and materials) of carrying out the repairs to the satisfaction of the Classification Society, whereafter the Buyers shall have no further rights whatsoever in respect of the defects and/or repairs. The estimated direct cost of the repairs shall be the average of quotes for the repair work obtained from two reputable independent shipyards at or in the vicinity of the port of delivery, one to be obtained by each of the Parties within two (2) Banking Days from the date of the imposition of the condition/recommendation, unless the Parties agree otherwise. Should either of the Parties fail to obtain such a quote within the stipulated time then the quote duly obtained by the other Party shall be the sole basis for the estimate of the direct repair costs. The Sellers may not tender Notice of Readiness prior to such estimate having been established.

(iii) If the Vessel is to be drydocked pursuant to Clause 6(a) (ii) and no suitable dry docking facilities are available at the port of delivery, the Sellers shall take the Vessel to a port where suitable drydocking facilities are available whether within or outside the delivery range as per Clause 5(a). Once the drydocking has taken place the Sellers shall deliver the Vessel at a port within the delivery range as per Clause 5(a) which shall, for the purpose of this Clause, become the new port of delivery. In such event the Cancelling Date shall be extended by the additional time required for the drydocking and extra steaming, but limited to a maximum of fourteen (14) days.

(b) *The Seller shall place the Vessel in drydock at the port of delivery for inspection by the Classification Society of the Vessel's underwater parts below the deepest lead line, the extent of the inspection being in accordance with the Classification Society's rules. If the rudder,

propeller, bottom or other underwater parts below the deepest leadline are found broken, damaged or defective so as to affect the Vessel's class, such defects shall be made good at the Sellers' cost and expense to the satisfaction of the Classification Society without condition/recommendation** in such event the Sellers are also to pay for the costs and expenses in connection with putting the Vessel in and taking her out drydock, including the drydock dues and the Classification Society's fees. The Sellers shall also pay for these costs and expenses if parts of the tailshaft system are condemned or found defective or broken so as to affect the Vessel's class. In all other cases, the Buyers shall pay the aforesaid costs and expenses, dues and fees.

(c) If the Vessel is drydocked pursuant to Clause 6(a) (ii) or 6(b)above:

(i) The Classification Society may require survey of the tailshaft system, the extent of the survey being to the satisfaction of the Classification Society surveyor. If such survey is not required by the Classification Society, the Buyers shall have the option to require the tailshaft to be drawn and surveyed by the Classification Society, the extent of the survey being in accordance with the Classification Society's rules for tailshaft survey and consistent with the current stage of the Vessel's survey cycle. The Buyers shall declare whether they require the tailshaft to be drawn and surveyed not later than by the completion of the inspection by the Classification Society. The drawing and refitting of the tailshaft shall be arranged by the Sellers. Should any parts of the tailshaft system be condemned or found defective so as to affect the Vessel's class, those parts shall be renewed or made good at the Sellers' costs and expense to the satisfaction of the Classification Society without condition/recommendation.**

(ii) The costs and expenses relating to the survey of the tailshaft system shall be borne by The Buyers unless the Classification Society requires such survey to be carried out or if Parts of the system are condemned or found defective or broken so as to affect the Vessel's class, in which case the Sellers shall pay these costs and expenses.

(iii) The Buyers' representative(s) shall have the right to be present in the drydock, as observer(s) only without interfering with the work or decisions of the classification Society surveyor.

(iv) The Buyers shall have the right to have the underwater parts of the Vessel cleaned and painted at their risk, cost and expense without interfering with the Sellers or the Classification Society surveyor's work, if any, and without affecting the Vessel's timely delivery. If, however, the Buyers' work in drydock is still in progress when the Sellers have completed the work which the Sellers are required to do the additional docking time needed to complete the Buyers' work shall be for the Buyers risk, cost and expense. In the event that the Buyers' work requires such additional time, the Sellers may upon completion of the Sellers' work tender Notice of Readiness for delivery whilst the Vessel is still in drydock and, notwithstanding Clause 5(a), the Buyers shall be obliged to take delivery in accordance with Clause 3 (Payment), whether the Vessel is in drydock or not.

~~*6(a) and 6(b) are alternatives; delete whichever is not applicable. In the absence of deletions, alternative 6(a) shall apply.*~~

~~***Notes or memoranda, if any, in the surveyor's report which are accepted by the Classification Society without condition/recommendation are not to be taken into account.*~~

7. Spares/bunkers, etc.

The Sellers shall deliver the Vessel to the Buyers with everything belonging to her on board and on shore. All spare parts and spare equipment ~~including spare tail-end shaft(s) and/or spare propeller(s)/propeller blade(s)~~, if any, belonging to the Vessel at the time of inspection used or unused, whether on board or not shall become the Buyers' property, ~~but~~ including spares on order ~~are to be excluded~~. Forwarding charges, if any, shall be for the Buyers' account. The Sellers are not required to replace spare parts including spare tail-end shaft(s) and spare propeller(s)/propeller blade(s) which are taken out of spare and used as replacement prior to delivery, but the replaced items shall be the property of the Buyers. Unused stores and provisions, **navigational aids, radio and telecommunication equipment (unless equipment is on hire)** shall be included in the sale and be taken over by the Buyers without extra payment.

Library and forms exclusively for use in the Sellers' vessel(s) and captain's, officers' and crew's personal belongings including the slop chest are excluded from the sale without compensation. ~~as well as the following additional items:…… (*include list*)~~
Items on board which are on hire or owned by third parties, listed as follows, are excluded from the sale without compensation:

- **1 SHELL FERROMAGNETIC INDICATOR**
- **11 UNITOR GAS BOTTLES**
- **2 LAPTOP MODELS FUJITSU LIFEBOOK E752**
- **1 DESKTOP MODEL FUJITSU ESPRIMO E710 SFF INCLUDING EXTERNAL HARD DISK (INTENSO 750 GB)**
- **1 IRRIDIUM ANTENNA (COMPLETE KIT)**
- **1 CISCO ROUTER/FIREWALL MODEL 881** ~~(*include list*)~~

Items on board at the time of inspection which are on hire or owned by third parties, not listed above, shall be replaced or procured by the Sellers prior to delivery at their cost and expense.

The Sellers have the right to take ashore crockery, plates, cutlery, linen and other articles bearing the Sellers' flag or name or the 'Samos Steamship' logo provided they replace same with similar unmarked items.

The Buyers shall take over remaining bunkers and unused lubricating oils and hydraulic oils and greases in bulk storage tanks and ~~unopened~~ **sealed** drums and pay either:

(a) *the actual net/**discounted** price (including barging expenses) as evidenced by invoices or vouchers; or

~~(b) *the current net market price (excluding barging expenses) at the port and date of delivery of the Vessel or, if unavailable) at the nearest bunkering port.~~

for the quantities taken over.

Payment under this Clause shall be made at the same time and place and in the same currency as the Purchase Price.

"inspection" in this Clause 7, shall mean the Buyers' inspection according to Clause 4(a) or 4(b) (inspection), if applicable. If the Vessel is taken over without inspection, the date of this Agreement shall be the relevant date.

**(a) and (b) are alternatives, delete whichever is not applicable. In the absence of deletions alternative (a) shall apply.*

8. Documentation

The place of closing: Credit Suisse **Basel, Switzerland**

(a) In exchange for payment of the Purchase Price the Sellers shall furnish the Buyers with ~~the following documents~~ **documentation as required by Buyers for the valid transfer of title and registration under Buyers' flag of choice. Such document shall be incorporated as an addendum to this Agreement**.

~~(i) Legal Bill(s) of Sale in a form recordable in the Buyers' Nominated Flag State, transferring title of the Vessel and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever, duly notarially attested and legalised or apostilled as required by the Buyers' Nominated Flag State;~~

~~(ii) Evidence that all necessary corporate, shareholder and other action has been taken by the Sellers to authorise the execution, delivery and performance of this Agreement;~~

~~(iii) Power of Attorney of the Sellers appointing one or more representatives to act on behalf of the Sellers in the performance of this Agreement, duly notarially attested and legalised of apostilled (as appropriate);~~

~~(iv) Certificate or Transcript of registry issued by the competent authorities of the flag state on the date of delivery evidencing the Sellers' ownership of the Vessel and that the Vessel is free from registered encumbrances and mortgages, to be faxed or e-mailed by such authority to the closing meeting with the original to the sent to the Buyers as soon as possible after delivery of the Vessel;~~

~~(v) Declaration of Class or (depending on the Classification Society) a Class Maintenance Certificate issued within three (3) Banking Days prior to delivery confirming that the Vessel is in Class free of condition/recommendation~~

~~(vi) Certificate of Deletion of the Vessel from the Vessel's registry or other official evidence of deletion appropriate to the Vessel's registry at the time of delivery, or, in the event that the registry does not as a matter of practice issue such documentation immediately, a written undertaking by the Sellers to effect deletion from the Vessel's registry forthwith and provide a certificate or other official evidence of deletion to the Buyers promptly and latest within four (4) weeks after the Purchase Price has been paid and the Vessel has been delivered.~~

~~(vii) A copy of the Vessel's Continuous Synopsis Record certifying the date on which the Vessel ceased to be registered with the Vessel's registry, or, in the event that the registry~~

does not as a matter of practice issue such certificate immediately, a written undertaking from the Sellers to provide the copy of this certificate promptly upon it being issued together with evidence of submission by the Sellers of a duly executed Form 2 stating the date on which the Vessel shall cease to be registered with the Vessel's registry;

(viii) Commercial Invoice for the Vessel;

(ix) Commercial invoice(s) for bunkers, lubricating and hydraulic oils and greases;

(x) A copy of the Sellers' letter to their satellite communication provider canceling the Vessel's communications contract which is to be sent immediately after delivery of the Vessel;

(xi) Any additional documents as may reasonably be required by the competent authorities of the Buyers' Nominated Flag State for the purpose of registering the Vessel, provided the Buyers notify the Sellers of any such documents as soon as possible after the date of this Agreement; and

(xii) The Sellers' letter of confirmation that to the best of their knowledge, the Vessel is not black listed by any nation or international organization.

(b) At the time of delivery the Buyers shall provide the Sellers with;

(i) Evidence that all necessary corporate, shareholder and other action has been taken by the Buyers to authorise the execution, delivery and performance of this Agreement; and

(ii) Power of Attorney of the Buyers appointing one or more representatives to act on behalf of the Buyers in the performance of this Agreement, duly notarially attested and legalized or apositilled (as appropriate).

(c) If any of the documents listed in Sub clauses (a) and (b) above are not in the English language they shall be accompanied by an English translation by an authorized translator or certified by a lawyer qualified to practice in the country of the translated language.

(d) The Parties shall to the extent possible exchange copies, drafts or samples of the documents listed in Sub clause (a) and Sub clause (b) above for review and comment by the other party not later than .....(*state number of days*), or if left blank, nine (9) days prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement.

(e) Concurrent with the exchange of documents in Sub clause (a) and Sub clause (b) above, the Sellers shall also hand to the Buyers the classification certificate(s) as well as all plans, drawings and manuals, (excluding ISM/ISPS manuals), which are on board the Vessel. Other certificates which are on board the Vessel shall also be handed over to the Buyers unless the Sellers are required to retain same, in which case the Buyers have the right to take copies.

~~(f) Other technical documentation which may be in the Sellers' possession shall promptly after delivery be forwarded to the Buyers at their expense, if they so request. The Sellers may keep the Vessel's log books but the Buyers have the right to take copies of same.~~

~~(g) The Parties shall sign and deliver to each other a Protocol of Delivery and Acceptance confirming the date and time of delivery of the Vessel from the Sellers to the Buyers.~~

9. Encumbrances

The Sellers warrant, as a condition for the payment of the Purchase Price, that the Vessel, at the time of delivery, is free from all charters, claims, encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the Buyers against all consequences of claims made against the Vessel which have been incurred prior to the time of delivery.

10. Taxes, fees and expenses

Any taxes, fees and expenses in connection with the purchase and registration under the Buyers' flag shall be for the Buyers' account, whereas similar charges in connection with the closing of the Sellers' register shall be for the Sellers' account.

11. Condition on delivery

The Vessel with everything belonging to her shall be at the Sellers' risk and expense until she is delivered to the Buyers, but subject to the terms and conditions of this Agreement she shall be delivered and taken over as she was at the time of this **Agreement** ~~inspection~~, fair wear and tear excepted.

However, the Vessel shall be delivered free of cargo and free of stowaways with her Class maintained without condition/recommendation*, free of average damage affecting the Vessel's Class, and with her classification, trading, international certificates and national certificates, as well as all other certificates the Vessel had at the time of inspection, **clean**, valid and unextended without condition/recommendation* by the Classification Society or the relevant authorities at the time of delivery for a minimum of three (3) months.

"inspection" in this Clause 11, shall mean the Buyers' inspection according to Clause 4(a) or 4(b) (Inspection), if applicable. If the Vessel is taken over without inspection, the date of this Agreement shall be the relevant date.

"Notes and memoranda, if any, in the surveyor's report which are accepted by the Classification Society without condition/recommendation are not to be taken into account.

12. Name/markings

Upon delivery the Buyers undertake to change the name of the Vessel and alter funnel markings.

13. Buyers' default

Should the Deposit not be lodged in accordance with Clause 2 (Deposit), the Sellers have the right to cancel this Agreement, and they shall be entitled to claim compensation for their losses and for all expenses incurred together with interest.

Should the Purchase Price not be paid in accordance with Clause 3 (Payment), the Sellers have the right to cancel this Agreement, in which case the Deposit together with interest earned, if any, shall be released to the Sellers. If the Deposit does not cover their loss, the Sellers shall be entitled to claim further compensation for their losses and for all expenses incurred together with interest.

14. Sellers' default

Should the Sellers fail to give Notice of Readiness in accordance with Clause 5 (b) or fail to be ready to validly complete a legal transfer by the Cancelling Date the Buyers shall have the option of cancelling this Agreement. If after Notice of Readiness has been given but before the Buyers have taken delivery, the Vessel ceases to be physically ready for delivery and is not made physically ready again by the Cancelling Date and new Notice of Readiness given, the Buyers shall retain their option to cancel. In the event that the Buyers elect to cancel this Agreement, the Deposit together with interest earned, if any, shall be released to them immediately.

Should the Sellers fail to give Notice of Readiness by the Cancelling Date or fail to be ready to validly complete a legal transfer as aforesaid they shall make due compensation to the Buyers for their loss and for all expenses together with interest if their failure is due to proven negligence and whether or not the Buyers cancel this Agreement.

15. Buyers' representatives

After this Agreement has been signed by the Parties and the Deposit has been lodged, the Buyers have the right to place two (2) representatives on board the Vessel at their sole risk and expense.

These representatives are on board for the purpose of familiarisation and in the capacity of observers only, and they shall not interfere in any respect with the operation of the Vessel. The Buyers and the Buyers' representatives shall sign the Sellers' P&I Club's standard letter of indemnity prior to their embarkation.

16. Arbitration

(a) *This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.

The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) ŧTerms current at the time when the arbitration proceedings are commenced.

The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the

fourteen (14) days specified, the party referring the dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both Parties as if the sole arbitrator had been appointed by agreement.

In cases where neither the claim nor any counterclaim exceeds the sum of US$100,000- the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

~~(b) *This Agreement shall be governed by and construed in accordance with Title 9 of the United States Code and the substantive law (not including the choice of law rules) of the State of New York and any dispute arising out of or in connection with this Agreement shall be referred to three (3) persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of US$100,000 the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc.~~

~~(c) *This Agreement shall be governed by and construed in accordance with the laws of .....(*state place*) and any dispute arising out of or in connection with this Agreement shall be referred to arbitration at .....(*state place*), subject to the procedures applicable there.~~

**16(a), 16(b) and 16(c) are alternatives; delete whichever Is not applicable. In the absence of deletions, alternative 16(a) shall apply.*

17. Notices

All notices to be provided under this Agreement shall be in writing.

Contact details for recipients of notices are as follows:

For the Buyers: **Evangelos Bairactaris, G.E Bairactaris & Partners, Fax: +30210 4284 626 E-mail: vbairactarls@bairactaris.com** .....

For the Sellers: Basil Spiliopoulos, Daniolos Law Firm Fax: +30 210 4138 809, E-mail: b.spillopoulos@daniolos.gr

18. Entire Agreement

The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the Parties in relation hereto.

Each of the Parties acknowledges that in entering into this Agreement it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as is expressly set out in this Agreement.

Any terms implied into this Agreement by an applicable statute or law are hereby excluded to the extent that such exclusion can be legally made. Nothing in this Clause shall limit or exclude any liability for fraud.

Rider Clauses:

19. The Vessel to be delivered without drydocking. However, the Buyers shall have the right at their expense to arrange for an underwater inspection by a diver approved by the Classification society at the delivery port. Such inspection to be attended by a Class surveyor to be arranged by the Buyers at the Buyers' expense. The Sellers shall at their cost make the Vessel available for such inspection. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification society attending Class surveyor. If the conditions at the port of delivery are unsuitable for such inspection in the opinion of the attending Class surveyor, the Sellers shall make arrangements for the Vessel to be available at a suitable alternative place near to the delivery port always for Buyers time and expense.

A) if damage to underwater parts affecting her class is found, which the Class requires to be rectified at Vessel's next scheduled dry-dock, the Sellers shall have the option to deliver the Vessel without rectifying the damage but paying the Buyers an estimated repairing cost, by way of reduction from the purchase price, which amount shall be an average amount reasonably quoted by the Sellers and the Buyers respectively from two (2) reputable repairers in the Arabian Gulf or Singapore or People's Republic of China. In this case, only direct cost to repair such damage shall be for the Sellers' account, and not to include drydock dues, docking or un-docking costs. This direct cost is to be deducted from Vessel's purchase price at the time of delivery. If the Class requires the damage to be repaired earlier than Vessel's next scheduled drydocking, clauses (b) or (c) to apply:

B) if the Class requires Sellers to carry out afloat repairs of such damages promptly, then the Sellers shall repair such damages afloat at their expense to the satisfaction of Class prior delivery. In this case, the cancelling date specified shall be extended by the time necessary for such repairing work but for a maximum often (10) calendar days.

C) if Class requires to carry out repairs at a drydocking facility, the Sellers shall arrange for the Vessel to be repaired at a suitable drydocking facility at their expense. The Buyers have the right to clean and paint the Vessel's bottom and other underwater parts during drydock at their time, risk and expenses without interference to the Sellers' works subject to prior consent of the Sellers, which not to be unreasonably withheld.

In the event that the Sellers' works are completed prior to the Buyers completion of their works, if any, the Sellers have the right to tender a notice of readiness for delivery whilst the Vessel is in drydock and deliver the Vessel in drydock, and the Buyers shall be obliged to take delivery of the Vessel, whether the Vessel is in drydock or not.

If there are no suitable drydocking facilities within the delivery range as per clause 5 b) herein, the Sellers shall drydock the Vessel in an alternative port, which shall become for the purpose of this clause the new delivery port. In such event the cancelling date as per clause 5 (b) herein shall be extended by the additional time required for the dry-docking and extra steaming but for a maximum of ten (10) calendar days.

20. The Sellers warrant and undertake as a condition for the payment of the purchase price by the Buyers to execute a Deed of Assignment of the Builder's written warranty of quality/guarantee issued as per the Shipbuilding Contract dated 10 May 2011 and other related warranty items by suppliers (as available) in favour of the Buyers and provide the Buyers with an executed Notice of Assignment of such warranty addressed to the Builder.

The Sellers will use their best endeavours to procure the written acknowledgement by the Builder acknowledging that the Buyers have all rights under such warranty.

[SELLERS TO PROVIDE LIST OF OUTSTANDING WARRANTY ITEMS]

21. Sellers to declare in writing that to the best of their knowledge and belief the Vessel Is not blacklisted by any country and/or organization and/or nation.

22. The performance of the Buyers is guaranteed by Capital Ship Management Corp. of Panama.

23. All negotiations and eventual sale to be kept strictly private and confidential between parties involved unless either party is required to disclose information about the sale by law or the US Securities Exchange Commission or NASDAQ regulations. Should, however, details of the sale become known or reported on the market, neither the Buyers, nor the Sellers shall have the right to withdraw from the sale or to fall to fulfill their obligations under this Agreement.

For and on behalf of the Sellers

/s/ Basil K. Spiliopoulos

Name: Basil K. Spiliopoulos

Title: Attorney-in-fact

For and on behalf of the Buyers

/s/ Evangelos Bairaktaris

Name: Evangelos Bairaktaris

Title: Sole Director

MEMORANDUM OF AGREEMENT

Dated: **17th October 2013**

Mango Finance Corp., Marshall Islands(*Name of sellers*), hereinafter called the "Sellers", have agreed to sell, and

Orix Shipping Company Limited, Ocean Centre, Montagu Foreshore, East Bay Street, Nassau, New Providence, Bahamas, a company fully nominated by Ghouse Investments, SA, Av. da Amizade, no. 555-13, Macau, and Ghouse Investments, SA, to remain the primary obligator under this Agreement (*Name of buyers*), hereinafter called the "Buyers", have agreed to buy:

Name of vessel: **Agamemnon II**

IMO Number: **9410002**

Classification Society: **LR**

Class Notation: **100A1**

Year of Build: **2008** Builder/Yard: **STX Shipbuilding Co. Ltd., Jinhae, Korea**

Flag: **Liberia** Place of Registration: **Monrovia** GT/NT: **30010/13579**

hereinafter called the ''Vessel", on the following terms and conditions:

Definitions

"Banking Days" are days on which banks are open both in the country of the currency stipulated for the Purchase Price in Clause 1 (Purchase Price) and in the place of closing stipulated in Clause 8 (Documentation) and **Lisbon, New York, Macau, Piraeus and Hamburg**. *(add additional jurisdictions as appropriate).*

"Buyers' Nominated Flag State" means **Cyprus** *(state flag state).*

"Class" means the class notation referred to above.

"Classification Society" means the Society referred to above.

"Deposit" shall have the meaning given in Clause 2 (Deposit)

"Deposit Holder' means **HSH Nordbank AG or a UK Law firm as escrow agent at Sellers option**. ~~*(state name and location of Deposit Holder)* or, if left blank, the Sellers' Bank, which shall hold and release the Deposit in accordance with this Agreement.~~

"In writing" or "written" means a letter handed over from the Sellers to the Buyers or vice versa, a registered letter, e-mail or telefax.

"Parties" means the Sellers and the Buyers.

"Purchase Price" means the price for the Vessel as stated in Clause 1 (Purchase Price).

"Seller' Account" means **HSH Nordbank AG, Hamburg – Germany, Bank Code: 210 500 00, Swift Code: HSHNDEHH, in favour of: Mango Finance Corp., ACC Nr.: 1100378251, IBAN Nr.: DE80 2105 0000 1100 3782 51, Corr. Bank: JP MORGAN CHASE Bank, N.A., 4 New York Plaza, New York, N.Y. 10004, a/c No.: 0011331803, Swift: CHASUS33** ~~(state details of bank account)~~ at the Sellers' Bank.

"Sellers' Bank" means **HSH Nordbank AG or other bank** ~~(state name of bank, branch and details) or, if left blank, the bank~~

notified by the Sellers to the Buyers for receipt of the balance of the Purchase Price.

1. **Purchase Price**

   The Purchase Price is **us$33,500,000.00.- (Thirty Three Million Five hundred thousands US dollars only)** *(state currency and amount both in words and figures).*

2. **Deposit**

   As security for the correct fulfilment of this Agreement the Buyer shall lodge a deposit of **10**% (**ten** per cent) ~~or, if left blank, 10% (ten per cent)~~, of the Purchase Price (the "Deposit") in an interest bearing account for the Parties **(accured interest be for Buyers account)** with the Deposit Holder within three (3)

   Banking Days after the date that:

(i) this Agreement has been signed by the both Parties and exchanged in original or by e-mail or telefax/**fax or after the Joint account has been opened, whichever is the latest**; and

(ii) the Deposit Holder has confirmed in writing to the Parties that the account has been opened.

The Deposit shall be released in accordance with joint written instructions of the Parties. Interest, if any, shall be credited to the Buyers. Any fee charged for holding and releasing the Deposit shall be borne equally by the Parties. The Parties shall provide to the Deposit Holder all necessary documentation to open and maintain the account without delay. Bank closing **fees to be split equally by both parties.**

3. Payment

On delivery of the Vessel, but not later than three (3) Banking Days alter the date that Notice of Readiness has been given in accordance with Clause 5 (Time and place of delivery and notices):

(i) the **10% (ten percent)** Deposit shall be released to the Sellers; and

(ii) ~~-~~the **90% (ninety percent)** balance of the Purchase Price and all other sums payable on delivery by the Buyers to the Sellers under this Agreement shall be paid in full free of bank charges to the Sellers' Account **together with measured amount for bunkers and lubes remaining on board based on the Sellers/Buyers representatives agreed figures and any other money payable by the Buyers to the sellers under this contract shall be paid at the time of delivery against sales documents reasonably required by Buyers for the change of title and flag**.

4. Inspection

(a)* The Buyers have inspected and accepted the Vessel's classification records. The Buyers have ~~also inspected the Vessel at/in (*state place*) on (*state date*) a~~ **waived their right to inspect the Vessel** and have accepted the Vessel, ~~following this inspection~~ **thus this** ~~and the~~ sale is outright and definite, subject only to the terms and conditions of this Agreement.

~~(b)* The Buyers shall have the right to inspect the Vessel's classification records and declare whether same are accepted or not within (*stated date/period*).~~

~~The sellers shall make the Vessel available for inspection at/in (state place/range) within (*state date/period*).~~

~~The Buyers shall undertake the inspection without undue delay to the Vessel. Should the Buyers cause undue delay they shall compensate the Sellers for the losses thereby incurred.~~

~~The Buyers shall inspect the Vessel without opening up and without cost to the Sellers.~~

~~During the inspection, the Vessel's deck and origins log books shall be made available for examination by the Buyers.~~

~~The sale shall become outright and definite, subject only to the terms and conditions of this Agreement, provided that the Sellers receive written notice of acceptance of the Vessel from the Buyers within seventy-two (72) hours after completion of such inspection or after the date/last day of the period stated in Line 59, whichever is earlier.~~

~~Should the Buyers fail to undertake the inspection as scheduled and/or notice of acceptance of the Vessel's classification records and/or of the Vessel not be received by the Sellers as aforesaid, the Deposit together with interest earned, if any, shall be released immediately to the Buyers, whereafter this Agreement shall be null and void.~~

~~*"4(a) and 4(b) are alternatives; delete whichever is not applicable in the absence of deletions, alternative 4(a) shall apply.*~~

5. Time and place of delivery and notices

(a) The Vessel shall be delivered and taken over safely afloat at a safe and accessible berth or anchorage **charter free, with all the cargo tanks empty, and certificates valid even if extended. With her class fully mantained, free of recomendations and free of average damages affecting class. All trading / class / national / international certificates of the vessel to be clean, valid and unextended at time of Vessel's delivery.** -at/in **Fujairah or Dubai/between 15th of October and 10th of December 2013** *(state place/range)* in the Sellers' option.

Notice of Readiness shall not be tendered before: **15th October 2013***(date)*

Cancelling Date (see Clauses 5(c), 6 (a)(i), 6 (a) (iii) and 14): **10th December 2013**

(b) The Sellers shall keep the Buyers well Informed of the Vessel's itinerary and shall provide the Buyers with ~~twenty (20), ten (10),~~ **fifteen (15)**, **seven (7)**~~five (5)~~ and three (3) days' **approximate** notices **and one (1) day definite notice** or the date the Sellers intend to tender **final/actual** Notice **of**~~of~~ Readiness for delivery and of the intended place of delivery.

When the Vessel is at the place of delivery and physically ready for delivery in accordance with this Agreement, the Sellers shall give the Buyers a written Notice of Readiness for delivery. **All notices to be given by Sellers broker to Buyers broker (Including N.O.R), excluding Saturday, Sunday.**

(c) If the Sellers anticipate that, notwithstanding the exercise of due diligence by them, the Vessel will not be ready for delivery by the Cancelling Date they may notify the Buyers in writing stating the date when they anticipate that the Vessel will be ready for delivery and proposing a new Cancelling Date. Upon receipt of such notification the Buyers shall have the option of either cancelling this Agreement in accordance with Clause 14 (Sellers' Default) within three (3) Banking Days of receipt of the notice or of accepting the new date as the new Cancelling Date. If the Buyers have not declared their option within three (3) Banking Days of receipt of the Sellers' notification or if the Buyers accept the new date, the date proposed in the Sellers' notification shall be deemed to be the new Cancelling Date and shall be substituted for the Cancelling Date stipulated in line 79.

If this Agreement is maintained with the new Cancelling Date all other terms and conditions hereof including those contained in Clauses 5(b) and 5(d) shall remain unaltered and in full force and effect.

(d) Cancellation, failure to cancel or acceptance of the new Cancelling Date shall be entirely without prejudice to any claim for damages the Buyers may have under Clause 14 (Sellers' Default) for the Vessel not being ready by the original Cancelling Date.

(e) Should the Vessel become an actual, constructive or compromised total loss before delivery the Deposit together with Interest earned, if any, shall be released immediately to the Buyers whereafter this Agreement shall be null and void.

6. Divers Inspection / Drydocking

(a)*

(i) **The Vessel is to be delivered without drydocking. However,** The Buyers shall have the option at their cost and expense to arrange for an underwater inspection by a diver approved by the Classification Society **at the delivery port** prior to the delivery of the Vessel. Such option shall be declared **by Buyers in writing 44 hours from Sellers tendering** ~~latest nine (9)~~ **ten (10)** days **approximate notice** prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement. The Sellers shall at their cost and expense make the Vessel available for such inspection. This Inspection shall be carried out without undue delay and in the presence of a Classification Society surveyor arranged for by the Sellers and paid for by the Buyers. The Buyers' representative(s) shall have the right to be present at the diver's inspection as observer(s) only without interfering with the work or decisions of the Classification Society surveyor. The extent of the inspection and the conditions under which it is performed shall be to the satisfaction of the Classification Society'**s attending surveyor**. If the conditions at the place of delivery are unsuitable for such inspection **In the opinion of the attending Class surveyor, the Sellers shall make arrangements for the Vessel to be available at a suitable alternative place near to the delivery port always for Buyers time and expense,** ~~Sellers shall at their cost and expense make the Vessel available at a suitable alternative place near to the delivery port,~~ in which event the Cancelling Date shall be extended by the additional time required for such positioning and the subsequent re-positioning. ~~The Sellers may not tender Notice of Readiness prior to completion of the underwater inspection.~~

(ii) **If damage to underwater parts affecting her Class is found, which the Class requires to be rectified at Vessel's next scheduled dry-dock, the Sellers shall have the option to deliver the Vessel without rectifying the damage but paying the Buyers an estimated repairing cost, by way of reduction from the purchase price, which amount shall be an average amount reasonable quoted by the Sellers and the Buyers respectively from two (2) reputable repairers. In this case, only direct cost to repair such damage shall be for the Sellers' account, and not to include drydock dues, docking or un-docking costs. This direct cost is to be deducted from Vessel's purchase price at the time of delivery. If the class requires the damage to be repaired earlier than Vessel's next scheduled drydocking, clauses (b) or (c) to apply:**

(b) If the Class requires Sellers to carry out afloat repairs of such damages promptly, then the Sellers shall repair such damages afloat at their expense to the satisfaction of Class prior delivery. In this case, the cancelling date specified shall be extended by the time necessary for such repairing work.

(c) If the Class requires to carry out repairs at a drydocking facility, the Sellers shall arrange for the Vessel to be repaired at a suitable drydocking facility at their expense, the Buyers have the right to clean and paint the Vessel's bottom and other underwater parts during drydock at their time, risk and expenses without interference to the Sellers' works subject to prior consent of the Sellers, which not to be unreasonably withheld.

In the event that the Sellers' works are completed prior to the Buyers completion of their works, If any, the Sellers have the right to tenders notice of readiness for delivery whilst the Vessel is in drydock and deliver the Vessel in drydock, and the Buyers shall be obliged to take delivery of the Vessel, whether the Vessel Is In drydock or not.

If there are no suitable drydocking facilities within the delivery range as per clause 5 (b) herein, the Sellers shall drydock the Vessel In an alternative port, which shall become for the purpose of this clause the new delivery port In such event the cancelling date as per clause 5 (b) herein shall be extended by the additional time required for the drydocking and extra steaming.

~~If the rudder, propeller, bottom or other underwater parts below the deepest load line are found broken, damaged or defective so as to affect the Vessel's class, then (1) unless repairs can be carried out afloat to the satisfaction of the Classification Society, the Sellers shall arrange for the Vessel to be drydocked at their expense for inspection by the Classification Society of the Vessel's underwater parts below the deepest load line, the extent of the inspection being in accordance with the Classification Society's rules (2) such defects shall be made good by the Sellers at their cost and expense to the satisfaction of the Classification Society without condition/recommendation** and (3) the Sellers shall pay for the underwater inspection and the Classification Society's attendance.~~

~~Notwithstanding anything to the contrary in the Agreement, if the Classification Society do not require the aforementioned defects to be rectified before the next class drydocking survey, the Sellers shall be entitled to deliver the Vessel with these defects against a deduction from the Purchase Price of the estimated direct cost (of labour and materials) of carrying out the repairs to the satisfaction of the Classification Society, whereafter the Buyers shall have no further rights whatsoever in respect of the defects and/or repairs. The estimated direct cost of the repairs shall be the average of quotes for the repair work obtained from two reputable independent shipyards at or in the vicinity of the port of delivery, on to be obtained by each of the Parties within two (2) Banking Days from the date of the imposition of the condition/recommendation, unless the Parties agree otherwise. Should either of the Parties fail to obtain such a quote within the stipulated time then the quote duly obtained by the other Party shall be the sole basis for the estimate of the direct repair costs. The sellers may not tender Notice of Readiness prior to such estimate having been established.~~

~~(iii) If the Vessel is to be drydocked pursuant to Clause 6(a)(ii) and no suitable dry docking facilities are available at the port of delivery, the Sellers shall take the Vessel to a port where suitable drydocking facilities are available, whether within or outside the delivery range as per Clause 5(a). Once drydocking has taken place the Sellers shall deliver the Vessel at a port within the delivery range as per Clause 5(a) which shall for the purpose of this Clause, become the new port of delivery. In such event the Cancelling Date shall be extended by the additional time required for the drydocking and extra steaming, but limited to a maximum of fourteen (14) days.~~

~~(b)* The Sellers shall place the Vessel in drydock at the port of delivery for the inspection by the Classification Society of the Vessel's underwater parts below the deepest load line, the extent of the inspection being in accordance with the Classification Society's rules. If the rudder, propeller, bottom or other underwater parts below the deepest load line are found broken, damaged or defective so as the affect the Vessel's class, such defects shall be made good at the Seller's cost and expense to the satisfaction to the Classification Society without condition/recommendations**. In such event the Sellers are also to pay the costs and expenses in connection with putting the Vessel in and taking her out of drydock, including the drydock dues and the Classification Society's fees. The Sellers shall also pay for these costs and expenses if parts of the tailshaft system are condemned or found defective or broken so as to affect the Vessel's class. In all other cases, the Buyers shall pay the aforesaid costs and expenses, dues and fees.~~

~~(c) If the Vessel is drydocked pursuant to Clause 6 (1)(ii) or 6 (b) above:~~

~~(i) The Classification Society may require survey of the tailshaft system, the extent of the survey being to the satisfaction of the Classification surveyor. If such survey is not required by the Classification Society, the Buyers shall have the option to require ht tailshaft to be drawn and surveyed by the Classification Society, the extent of the survey being in accordance with the Classification Society's rule for tailshaft survey and consistent with the current stage of the Vessel's survey cycle. The Buyers shall declare whether they require the tailshaft to be drawn and surveyed not later than by the completion of the inspection by the Classification Society. The drawing and refitting the tailshaft shall be arranged by the Sellers. Should any parts of the tailshaft system be renewed or made good at the Sellers' cost and expense to the satisfaction of Classification Society without condition/recommendation**.~~

~~(ii) The costs and expense relating to the survey of the tailshaft system shall be borne by the Buyers unless the Classification Society requires such survey to be carried out or if parts of the system are condemned or found defective or broken so as to affect the Vessel's class, in which case the Sellers shall pay these costs and expenses.~~

~~(iii) The Buyers' representative(s) shall have the right to be present in the drydock, as observer(s) only without interfering with the work or decision of the Classification Society surveyor.~~

~~(iv) The Buyer shall have the right to have the underwater parts f the Vessels cleaned and painted at their risk, cost and expense without interfering with the Sellers' or the Classification Society surveyor's work, if any, and without affecting the Vessel's timely delivery. If, however, the Buyers' work in drydock is still in progress when the Sellers have completed the work which the Sellers are required to do, the additional docking time needed to complete the Buyer's work shall be for the Buyers' risk, cost and expense. In the event that the Buyers' work requires such additional time, the Sellers may upon completion of the Seller's work tender Notice of Readiness for delivery whilst the Vessel is still in drydock and, notwithstanding Clause 5(a), the Buyers shall be obliged to take delivery in accordance with Clause 3 (Payment), whether the Vessel is in drydock or not.~~

~~**6 (a) and 6 (b) are alternatives; delete whichever is not applicable in the absence of deletions, alternative 6 (a) shall apply.*~~

~~***Notes or memoranda, if any, in the surveyor's report which are accepted by the Classification Society without condition/recommendation are not be taken into account.*~~

7. Spares, bunkers and other items

The Sellers shall deliver the Vessel to the Buyers with everything belonging to the Vessel on board/ashore and or on order, including navigational aids, radio and telecommunication equipment unless equipment la on hire, victualing, stores, provisions, all at no cost far the Buyers. On delivery all spares on board will be delivered at no coat for the Buyers. Items which are not Vessel's property and/or on hire are to be specified/liated by the Sellers. Extra payment only for remaining bunker and unbroached luboils whether in sealed drums or bulk storage tanks, to be paid at Sellers net/discounted prices paid by the Sellers, backed by Sellers invoices. Luboil quantities will not include chemicals or greases ROB which will be delivered at no cost to Buyers.

The Sellers have the right to take ashore crockery, plates, cutlery, linen and other articles bearing the Seller's flag or name provided they replace same with similar unmarked items. Library, forma, etc., exclusively for use in the Sellers' vessel, shall be excluded without compensation.

Captain's officers' and crow's personal belongings including the slop chest are to be excluded from the sale.

Items on hire are:

Company's ISM / ISPS / ISO / PMS,

Unitor bottles: Oxygen / Acetylene / Nitrogen / Medical oxygen / Freon,

Butterworth machines 4 pcs,

FBB 250 Sailor,

Company's Server (1pc) Laptops 2pcs (HP 550)

Chartco system

Seagull training computer

all the above are to be excluded from the sale.

All manuals, plans and drawings, both In digital and hard copy format If available, In Sellers or Managers possession shall be delivered to Buyers office or on board of the vessel the soonest possible after the vessel's delivery. The list of all machinery with last dates and jobs performed, to be left on board both in electronic and hard copy.

~~The Seller shall deliver the Vessel to the Buyers with everything belonging to her on board and on shore. All spare parts and spare equipment including spare tail-end shaft(s) and/or spare propeller(s)/propeller blade(s), if any, belonging to the Vessel at the time of inspection used or unused, whether on board or not shall become the Buyers' property, but spares on order are excluded. Forwarding charges, if any, shall be for the Buyers' account. The Sellers are not required to replace spare parts including spare tail-end shaft(s) and spare propeller(s)/propeller blade(s) which are taken out of spare and used as replacement prior to delivery, but the replaced items shall be the property of the Buyers,. Unused stores and provisions shall be included in the sale and be taken over by the Buyers without extra payment.~~

~~Library and forms exclusively for use in the Sellers' vessel(s) and captain's, officers' and crew's personal belongings including the slop chest are excluded from the sale without compensation, as well as the following additional items: *(include list)*~~

~~Items on board which are on hire or owned by third parties, listed as follows, are excluded from the sale without compensation: *(include list)*~~

~~The Buyers shall take over remaining bunkers and unused lubricating and hydraulic oils and greases in storage tanks and unopened drums and pay either.~~

~~(a)*the actual net price (excluding barging expenses) as evidenced by invoices or vouchers; or~~

~~(b)*the current net market price (excluding barging expenses) at the port and date of delivery of the Vessel or, if unavailable, at the nearest bunkering port, for the quantities taken over.~~

~~Payment under this Clause shall be made at the same time and place and in the same currency as the Purchase Price.~~

"inspection" in this Clause 7. shall mean the Buyers' inspection according to Clause 4(a) or 4(b) (Inspection), if applicable. If the Vessel is taken over without inspection, the date of this Agreement shall be the relevant date.

"(a) and (b) are alternatives, delete whichever is not applicable. In the absence of deletions alternative (a) shall apply.

8. Documentation

The place of closing: Hamburg or Athens or place of Deposit Holder.

After the signature of this Agreement and lodging of the deposit the Buyers and Sellers will promptly exchange a list of documents reasonably needed to delete the Vessel from her present register and to register the Vessel under the new flag, to be attached In an addendum to this Agreement.

~~(a) in exchange for payment of the Purchase Price the Sellers shall provide the Buyers with the following delivery documents:~~

~~(i) Legal Bill(s) of Sale in a form recordable in the Buyers' Nominated Flag State, transferring title of the Vessel and stating that the Vessel is free from all mortgages, encumbrances and maritime liens or any other debts whatsoever, duly notarially attested and legalized or apostilled, as required by the Buyers' Nominated Flag State;~~

~~(ii) Evidence that all necessary corporate, shareholder and other action has been taken by the Sellers to authorize the execution, delivery and performance of this Agreement;~~

~~(iii) Power of Attorney of the Sellers appointing one or more representatives to act on behalf of the Sellers in the performance of this Agreement, duly notarially statested and legalized or apostilled (as appropriate);~~

~~(iv) Certificate or Transcript or Registry issued by the competent authorities of the flag state on the date of delivery evidencing the Sellers's ownership of the Vessel and that the Vessel is free from registered encumbrances and mortgages, to be faxed or emailed by such authority to the closing meeting with the original to be sent to the Buyers as soon as possible after delivery of the Vessel;~~

(v) Declaration of Class or (depending on the Classification Society) a Class Maintenance Certificate issued within three (3) Banking Days prior to delivery confirming that the Vessel is in Class free of condition/recommendation;

(vi) Certificate of Deletion of the Vessel from the Vessel's registry or other official evidence of deletion appropriate to the Vessel's registry at the time of delivery, or, in the event that the registry does not as a matter of practice issue such documentation immediately, a written undertaking by the Sellers to effect deletion from the Vessel's registry forthwith and provide a certificate or other official evidence of deletion to the Buyers promptly and latest within four (4) weeks after the Purchase Price has been paid and the Vessel has been delivered;

(vii) A copy of the Vessel's Continues Synopsis Record certifying the date on which the Vessel ceased to be registered with the Vessel's registry, or in the event that the registry does not as a matter of practice issue such certificate immediately, a written undertaking from the Sellers to provide the copy of this certificate promptly upon it being issued together with evidence of submission by the Sellers of a duly executed Form 2 stating the date on which the Vessel shall cease to be registered with the Vessel's registry;

(viii) Commercial invoice for the Vessel;

(ix) Commercial invoice for bunkers, lubricating and hydraulic oils and greases;

(x) A copy of the Sellers' letter to their satellite communication provider cancelling the Vessel's communications contract which is to be sent immediately after delivery of the Vessel;

(xi) Any additional documents as may reasonably be required by the competent authorities of the Buyers' Nominated Flag State for the purpose of registering the Vessel, provided the Buyers notify the Sellers of any such documents as soon as possible after the date of this Agreement; and

(xii) The Sellers' letter of confirmation that to the best of their knowledge, the Vessel is not black listed by any nation or international organization.

(b) At the time of delivery the Buyers shall provide the Sellers with:

(i) Evidence that all necessary corporate, shareholders and other action has been taken by the Buyers to authorise the execution, delivery and performance of this Agreement; and

(ii) Power of Attorney of the Buyers appointing one or more representatives to set on behalf of the Buyers in the performance of this Agreement, duly notarially attested and legalized or apostilled (as appropriate).

(c) If any of the documents listed in Sub-clauses (a) and (b) above are not in the English language they shall be accompanied by an English translation by an authorized translator or certified by a lawyer qualified to practice in the country of the translated language.

(d) The parties shall to the extent possible exchange copies, drafts or samples of the documents listed in Sub-clause (2) and Sub-clause (b) above the review and comment by the other party not later than *(state number of days)*, or if left blank, nine (9) days prior to the Vessel's intended date of readiness for delivery as notified by the Sellers pursuant to Clause 5(b) of this Agreement.

(e) Concurrent with the exchange of documents in Sub-clause (a) and Sub-clause (b) above, the Sellers shall also hand to the Buyers the classification certificate(s) as well as all plans, drawing and manuals, (excluding ISM/ISRS manuals), which are on board the Vessel. Other certificates which are on board the Vessel shall also be handed over to the Buyers unless the Sellers are required to retain same, in which case the Buyers have the right to take copies.

(f) Other technical documentation which may be in the Sellers' possession shall promptly after delivery be forwarded to the Buyers at their expense, if they so request. The Sellers may keep the Vessel's log books but the Buyers have the right to take copies of same.

(g) The Parties shall sign and deliver to each other a Protocol of Delivery and Acceptance confirming the date and time of delivery of the Vessel from the Sellers to the Buyers.

9. Encumbrances

The Sellers warrant that the Vessel, at the time delivery, if free from all charters, encumbrances, mortgages and maritime liens or nay other debts whatsoever, and is not subject

to Port State or other administrative detentions. The Sellers hereby undertake to indemnify the Buyers against all consequences of claims made against the Vessel which have been incurred prior to the time of delivery

10. Taxes, fees and expenses

Any taxes, fees and expenses in connection with the purchase and registration in the Buyers' Nominated Flag State shall be for the Buyers' account, whereas similar charges in connection with the closing of the Sellers' register shall be for the Sellers' account.

11. Condition on delivery

The Vessel with everything belonging to her shall be at the Sellers' risk and expense until she is delivered to the Buyers, but subject to the terms and conditions of this Agreement she shall be delivered and taken over ~~**as she was at the time of inspection**~~ **as she was at the time of this Agreement**, fair wear and tear excepted.

However, the Vessel shall be delivered free of cargo and free of stowaways with her Class maintained without condition/recommendation*, free of average damage affecting the Vessel's class, and with her classification certificates and national certificates, as well as all other certificates the Vessel **has,** ~~had at the time of inspection,~~ valid and unextended without condition/recommendation* by the Classification Society or the relevant authorities at the time of delivery.

"Inspection" in this Clause 11, shall mean the Buyers' inspection according to Clause 4(a) or 4(b) (Inspections), if applicable. If the Vessel is taken over without inspection, the date of this Agreement shall be the relevant date.

"Notes and memoranda, if any, in the surveyor's report which are accepted by the Classification Society without condition/recommendation are not to be taken into account.

12. Name/markings

Upon delivery the Buyers undertake to change the name of the Vessel and alter funnel markings.

13. Buyers' default

Should the Deposit not be lodged in accordance with Clause 2 (Deposit), the Sellers have the right to cancel this Agreement, and they shall be entitled to claim compensation for their losses and for all expenses incurred together with interest.

Should the Purchase Price not be paid in accordance with Clause 3 (Payment), the Sellers have the right to cancel this Agreement, in which case the Deposit together with interest earned, if any, shall be released to the Sellers. If the Deposit does not cover their loss, the Sellers shall be entitled to claim further compensation for their losses and for all expenses incurred together with interest.

14. Sellers' default

Should the Sellers fail to give Notice of Readiness in accordance with Clause 5(b) or fail to be ready to validly complete a legal transfer by the Cancelling Date the Buyers shall have the option of cancelling this Agreement. If after Notice of Readiness has been given but before the Buyers have taken delivery, the Vessel ceases to be physically ready for delivery and is not made physically ready again by the Cancelling Date and new Notice of Readiness given, the Buyers shall retain their option to cancel. In the event that the Buyers elect to cancel this Agreement, the Deposit together with interest earned, if any, shall be released to them immediately.

Should the Sellers fail to give Notice of Readiness by the cancelling Date or fail to be ready to validly complete a legal transfer as aforesaid they shall make due compensation to the Buyers for their loss and for all expenses together with interest if their failure is due to proven negligence and whether or not the Buyers cancel this Agreement.

15. Buyers' representatives

After this Agreement has been signed by the Parties and the Deposit has been lodged, the Buyers have the right to place two (2) representatives on board the Vessel at their sole risk and expense.

These representatives are on board for the purpose of familiarisation and in the capacity of observers only and they shall not interfere in any respect with the operation of the Vessel. The Buyers and the Buyers' representatives shall sign the Sellers' P&I Club's standard letter of Indemnity prior to their embarkation.

16. Law and Arbitration

(a) *This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.

The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.

The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment In writing to the other party requiring the other party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not appoint Its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both Parties as if the sole arbitrator had been appointed by agreement.

In cases where neither the claim nor any counterclaim exceeds the sum of US$100,000 the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

~~(b) *This Agreement shall be governed by and construed in accordance with Title 9 of the United States Code and the substantive law (not including the choice of law rules) of the State of New York and any dispute arising out of or in connection with this Agreement shall be referred to three (3) persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.~~

~~In cases where neither the claim nor any counterclaim exceeds the sum of US$ 100,000 the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc.~~

~~(c) This Agreement shall be governed by and construed in accordance with the laws of *(state place)* and any dispute arising out of or in connection with this Agreement shall be referred to arbitration at *(state place)*, subject to the procedures applicable there.~~

"16(a), 16(b) and 16(c) are alternatives; delete whichever is not applicable. In the absence of deletions, alternative 16(a) shall apply.

17. Notices

All notices to be provided under this Agreement shall be in writing.

Contact details for recipients of notices are as follows:

For the Buyers: **Optima Shipbrokers Ltd.**

For the Sellers: **Curzon Shipbrokers Corp.**

18. Entire Agreement

The written terms of this Agreement comprise the entire agreement between the Buyers and the Sellers in relation to the sale and purchase of the Vessel and supersede all previous agreements whether oral or written between the Parties in relation thereto.

Each of the Parties acknowledges that in entering into this Agreement it has not relied on and shall have no right or remedy in respect of any statement, representation, assurance or warranty (whether or not made negligently) other than as is expressly set out In this Agreement.

Any terms implied into this Agreement by any applicable statute or law are hereby excluded to the extent that such exclusion can legally be made. Nothing in this Clause shall limit or exclude any liability for fraud.

19. Sellers to declare in writing that to the best of their knowledge the Vessel is not blacklisted by any organisation and/or nation.

20. The Buyers understand that the Sellers, be it due to applicable laws or due to Internal rules and regulations, is prohibited from conducting transactions, Including finance transactions, with the government of or any person or entity owned or controlled by the government of Restricted Countries or Restricted Persons.

The Buyers confirm that it has no beneficial ownership or connection with a Restricted Country or Restricted Person and undertakes that they shall not transfer, make use of or provide the benefits of any money, proceeds or services provided by or received to any Restricted Persons or conduct any business activity (such as entering Into any ship acquisition agreement and/or any charter agreement) related to the Vessel with any Restricted Persons.

In this Clause:

"Restricted Countries" mean Iran, Cuba, Myanmar, North Korea, Sudan and Syria and any additional countries notified by the Lender to be Borrowers based on respective sanctions being imposed by the United States Treasury Department's Office of Foreign Assets Control ("OFAC") or any of the regulative bodies referred to in the definition of Restricted persons.

"Restricted Persons" means persons, entities or any other parties (i) located, domiciled, resident or incorporated in Restricted Countries (ii) subject to any sanction administrated by the United Nations, the European Union, the State Secretariat for Economic Affairs of Switzerland ("SECO"), OFAC.

21. All negotiations and eventual sale to be kept strictly private and confidential between parties involved unless either party is required to disclose Information about the sale by Law or the Securities Exchange Commission or Nasdaq Regulations. Should however, details of the sale become known or reported on the market, neither the Buyers nor the Sellers shall have the right to withdraw from the sale or to fail to fulfil their obligation under this Agreement

For and on behalf of the Sellers	For and on behalf of the Buyers
Name: EVANGELOS BAIRACTARIS	Name: Joaquim José Valente Ferreira (17.10.2013) Fernando Osvaldo dos Santos
Title: SOLE DIRECTOR	Title: President Director
/s/ Evangelos Bairactaris	/s/ Joaquim José Valente Ferreira /s/ Fernando Osvaldo dos Santos

Exhibit 4.89

ASSIGNMENT OF CLAIM AGREEMENT

ASSIGNMENT OF CLAIM AGREEMENT ("Agreement") dated as of June 24, 2013 among **CAPITAL PRODUCT PARTNERS L.P.** (the "Parent"), **BELERION MARITIME CO.** (the "Vessel Owner" or "Seller") and **DEUTSCHE BANK SECURITIES INC.** ("Purchaser"). Seller and Purchaser are referred to herein collectively as the "Parties" and individually as a "Party".

RECITALS

A. Reference is made to the bareboat charter in respect of the vessel bearing hull number S-1250 and now named the *Overseas Kimolos*, dated August 16, 2006, between Kimolos Tanker Corporation (the "Charterer") and the Vessel Owner, including all related agreements and addenda (the "Charter Agreement"), a copy of which is attached to this Agreement as Exhibit A1;

B. Pursuant to a guarantee dated December 18, 2006 (the "Guarantee"), a copy of which is attached to this Agreement as Exhibit A2, Overseas Shipholding Group, Inc. (the "Guarantor" and, together with the Charterer, the "Debtors") guaranteed the obligations of the Charterer under the Charter Agreement;

C. On November 14, 2012 (the "Petition Date"), each of the Debtors filed a voluntary petition under chapter 11 of title 11 of the United States Code, (as amended, the "Bankruptcy Code"), and each currently is in a proceeding for reorganization in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), jointly administered under Chapter 11 Case No. 12-20000 (PJW) (the "Proceedings"), with the Charterer's case being Case No. 12-20058 (the "Charterer Proceeding") and the Guarantor's case being Case No. 12-20000 (the "Guarantor Proceeding");

D. Pursuant to that certain *Order Authorizing Rejection of the Existing Overseas Kimolos Charter Agreement and Entry into and Performance Under the New Kimolos Charter Agreement and the New Guarantee Nunc Pro Tunc as Necessary*, entered by the Bankruptcy Court on March 21, 2013 (the "Rejection Order"), the Charterer, among other things, rejected the Charter Agreement nunc pro tunc effective as of March 1, 2013 pursuant to section 365 of the Bankruptcy Code (the "Rejection");

E. As a result of the Rejection, Seller believes that it has a prepetition general unsecured claim against the Charterer in an amount not less than $17,776,217 (the "Claim Amount"), and a corresponding guarantee claim against Guarantor under the Guarantee in the same amount; and

G. In accordance with the terms hereof, Purchaser desires to purchase the Transferred Rights from Seller, and Seller desires to sell the Transferred Rights to Purchaser, on the terms and conditions set forth herein.

AGREEMENT

In consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. As used herein, the following terms shall have the meanings set forth below:

"Agreement" has the meaning set forth in the Preamble of this Agreement.

"Aggregate Purchase Price" has the meaning set forth in Section 4.

"Allowance" means the first to occur of allowance of the Rejection Claim as an allowed, valid, enforceable, non-contingent, liquidated and non-disputed general unsecured claim (on an unsubordinated basis relative to other similarly situated general unsecured claims): (a) by a Final Order; (b) in the manner set forth in a chapter 11 plan in respect of the Debtors; or (c) in a chapter 7 liquidation applicable to the Debtors.

"Allowed Claim Amount" has the meaning set forth in Section 6(a)(i).

"Assignment Documents" has the meaning set forth in Section 7(a)(iii).

"Bankruptcy Code" has the meaning set forth in the Recitals of this Agreement.

"Bankruptcy Court" has the meaning set forth in the Recitals of this Agreement.

"Bankruptcy Rules" has the meaning set forth in Section 7(a)(iii).

"Base Claim Amount" means the product of (a) the Claim Amount, multiplied by (b) Holdback Rate.

"Benefit Plan" has the meaning set forth in Section 9(p).

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York City are authorized or obligated by law or executive order to close.

"Charter Agreement" has the meaning set forth in the Recitals of this Agreement.

"Charterer" has the meaning set forth in the Recitals of this Agreement.

"Charterer Claim" has the meaning set forth in Section 2(a).

"Charterer Proceeding" has the meaning set forth in the Recitals of this Agreement.

"Charterer Proof of Claim" has the meaning set forth in Section 2(a).

"Claim Amount" has the meaning set forth in the Recitals of this Agreement.

"Debtors" has the meaning set forth in the Recitals of this Agreement.

"Disallowance" has the meaning set forth in Section 13(d).

"Disallowance Proceeding" has the meaning set forth in Section 13(c).

"Effective Date" means the date that the Funded Purchase Price is received by Seller.

"ERISA" has the meaning set forth in Section 9(p).

"Excluded Information" has the meaning set forth in Section 8(f).

"Final Order" mean (a) an order of the Bankruptcy Court which has not been reversed, stayed, modified or amended and as to which (i) any appeal, rehearing or other review has been finally determined in a manner that does not affect such order, or (ii) the time to appeal or seek a rehearing or other review has expired and no appeal, motion for reconsideration has been timely filed; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, as made applicable by Rule 9024 of the Federal Rules of Bankruptcy Procedure, may be filed related to such order shall not cause such order to not be a Final Order, or (b) a settlement agreement (a "Settlement Agreement") among the Debtors and the Parties stipulating to the allowance of the Rejection Claim as an allowed, valid, enforceable, non-contingent, liquidated and non-disputed general unsecured claim in a fixed allowed amount (on an unsubordinated basis relative to other similarly situated general unsecured claims) in the applicable Proceeding approved by an order of the Bankruptcy Court as described in the immediately preceding subclause (a).

"Funded Purchase Price" means the amount as set forth in Annex 1 hereto.

"Guarantee" has the meaning set forth in the Recitals of this Agreement.

"Guarantor" has the meaning set forth in the Recitals of this Agreement.

"Guarantor Claim" has the meaning set forth in Section 2(b).

"Guarantor Proceeding" has the meaning set forth in the Recitals of this Agreement.

"Guarantor Proof of Claim" has the meaning set forth in Section 2(b).

"Holdback Rate" means the Holdback Rate as set forth in Annex 1 hereto.

"LIBOR" has the meaning set forth in Section 14(d).

"Maximum Refund Amount means the amount as set forth in Annex 1 hereto.

"Notice of Transfer" has the meaning set forth in Section 7(a)(iii).

"Original Charter Agreements" means collectively, (a) the Charter Agreement, (b) the Sifnos Charter Agreement, and (c) the Serifos Charter Agreement.

"Parent" has the meaning set forth in the Preamble of this Agreement.

"Party" or "Parties" has the meaning set forth in the Preamble of this Agreement.

"Petition Date" has the meaning set forth in the Recitals of this Agreement.

"Proceedings" has the meaning set forth in the Recitals of this Agreement.

"Proposed Settlement" has the meaning set forth in Section 13(d).

"Proposed Settlement Notice" has the meaning set forth in Section 13(d).

"Proofs of Claim" has the meaning set forth in Section 2(b).

"Purchase Rate" means the Purchase Rate as set forth in Annex 1 hereto.

"Purchaser" has the meaning set forth in the Preamble of this Agreement.

"Reference Banks" has the meaning set forth in Section 14(d).

"Rejection" has the meaning set forth in the Recitals of this Agreement.

"Rejection Claim" has the meaning set forth in Section 2(b).

"Rejection Order" has the meaning set forth in the Recitals of this Agreement.

"Representatives" means any affiliates, directors, officers, employees, agents, representatives and other advisors (including financial advisors, attorneys, accountants and other consultants).

"Securities Act" has the meaning set forth in Section 8(e).

"Seller" has the meaning set forth in the Preamble of this Agreement.

"Seller Defense Period" has the meaning set forth in Section 13(d).

"Serifos Charter Agreement" means the bareboat charter in respect of the vessel bearing hull number S-2035 formerly named *Overseas Serifos* and now named *Alexandros II*, dated August 16, 2006, between Serifos Tanker Corporation and Sorrel Shipmanagement, Inc., the Addendum Number 1, dated December 17, 2012 between Serifos Tanker Corporation and Sorrel Shipmanagement, Inc., and all other related agreements and addenda thereto.

"Settlement Limit" means $15,863,535.93.

"Sifnos Charter Agreement" means the bareboat charter in respect of the vessel bearing hull number S-1243 and now named *Overseas Sifnos*, dated August 16, 2006, between Sifnos Tanker Corporation and Wind Dancer Shipping, Inc., and all related agreements and addenda thereto.

"Transferred Rights" means, collectively, the Transferred Charterer Rights and the Transferred Guarantor Rights.

"Transferred Charterer Rights" means all of Seller's right, title and interest in, to and under:

(a) the Charterer Claim, including any and all right to receive principal, interest, fees, damages, penalties and other amounts in respect of the Charterer Claim (in each case whether accruing prior to, on or after the date of this Agreement), and, to the extent relating to the Charterer Claim, accounts, accounts receivable and other similar rights and interests of Seller against Charterer, including all of Seller's right, title and interest in, to and under (i) the Charterer Proof of Claim; and (ii) all rights to receive any cash, interest, penalties, fees, damages and/or other amounts received in respect of or in connection with the Charterer Claim;

(b) any actions, claims, rights, lawsuits and/or causes of action against Charterer, and/or voting rights and other rights and benefits of any nature whatsoever arising out of or in connection with the Charterer Claim;

(c) all rights in, to and under any collateral or guarantees related to the Charterer Claim;

(d) all cash, securities, instruments and other property which may be paid or distributed in satisfaction of Charterer Claim under or pursuant to any plan of reorganization or liquidation in the Charterer Proceedings, any redemption, restructuring or other liquidation or otherwise; and

(e) all proceeds of any kind of the foregoing, including, without limitation, all cash, securities or other property distributed or payable on account of, or exchanged in return for, any of the foregoing.

"Transferred Guarantor Rights" means all of Seller's right, title and interest in, to and under:

(a) the Guarantor Claim, including, any and all right to receive principal, interest, fees, damages, penalties and other amounts in respect of the Guarantor Claim (in each case whether accruing prior to, on or after the date of this Agreement), and, to the extent relating to the Guarantor Claim, accounts, accounts receivable and other similar rights and interests of Seller against Guarantor, including, all of Seller's right, title and interest in, to and under (i) the Guarantor Proof of Claim; and (ii) all rights to receive any cash, interest, penalties, fees, damages and/or other amounts received in respect of or in connection with the Guarantor Claim;

(b) any actions, claims, rights, lawsuits and/or causes of action against Guarantor, and/or voting rights and other rights and benefits of any nature whatsoever arising out of or in connection with the Guarantor Claim;

(c) all rights in, to and under any collateral or guarantees related to the Guarantor Claim;

(d) all cash, securities, instruments and other property which may be paid or distributed in satisfaction of Guarantor Claim under or pursuant to any plan of reorganization or liquidation in the Guarantor Proceedings, any redemption, restructuring or other liquidation or otherwise; and

(e) all proceeds of any kind of the foregoing, including, without limitation, all cash, securities or other property distributed or payable on account of, or exchanged in return for, any of the foregoing.

"Vessel Owner" has the meaning set forth in the Preamble of this Agreement.

2. Proofs of Claim. Seller represents and warrants to Purchaser that, as of the date hereof:

(a) a proof of claim, date-stamped May 24, 2013 and assigned claim number 480 (the "Charterer Proof of Claim"), was duly and timely filed by the Vessel Owner against Charterer in the Charterer Proceeding in the Claim Amount, a true and complete copy of which is attached to this Agreement as Exhibit B1 (such claim is hereinafter referred to as, the "Charterer Claim"); and

(b) a proof of claim, date-stamped May 24, 2013 and assigned claim number 477 (the "Guarantor Proof of Claim", together with the Charterer Proof of Claim, the "Proofs of Claim"), was duly and timely filed by the Vessel Owner against Guarantor in the Guarantor Proceeding in the Claim Amount, a true and complete copy of which is attached to this Agreement as Exhibit B2 (such claim is hereinafter referred to as the "Guarantor Claim" and, together with the Charterer Claim, collectively, the "Rejection Claim");

(c) neither Proof of Claim has been revoked, withdrawn, amended or modified and no right thereunder has been waived; and

(d) the statements in each Proof of Claim (i) are true and correct in all material respects as of the date hereof, and (ii) state all material facts necessary to make such statements not misleading in the context in which they were made.

3. Assignment of Rejection Claim.

(a) In consideration of the mutual covenants and agreements in, and subject to the terms and conditions of, this Agreement:

(i) subject to the satisfaction or waiver by Seller of the conditions in Section 7(b), Seller irrevocably sells, transfers, assigns, grants and conveys the Transferred Rights to Purchaser with effect on and after the Effective Date; and

(ii) subject to the satisfaction or waiver by Purchaser of the conditions in Section 7(a), Purchaser irrevocably acquires the Transferred Rights with effect on and after the Effective Date.

(b) Notwithstanding any other term of this Agreement, following the Effective Date, the sale and assignment of the Transferred Rights shall be deemed an absolute and unconditional assignment of the Transferred Rights for the purpose of collection and satisfaction, and not an assignment or transfer to or assumption by Purchaser of any obligation of Seller under or in connection with the Transferred Rights and/or the Rejection Order (or any document or agreement entered into in connection with the Rejection Order), any and all of which obligations are and shall remain Seller's obligations.

4. Aggregate Purchase Price. The aggregate cash consideration to be paid by Purchaser to Seller for the Transferred Rights is equal to the product of (a) the Purchase Rate, multiplied by (b) the Claim Amount (the product being the "Aggregate Purchase Price"), subject to adjustment pursuant to Section 6.

5. Funded Purchase Price. On the first Business Day following the satisfaction or waiver by Purchaser of the conditions set forth in Section 7(a), Purchaser shall pay to Seller the Funded Purchase Price by wire transfer of immediately available funds to Seller's account specified on Schedule 1 hereto.

6. Allowance of Rejection Claim.

(a) Upon Allowance of the Rejection Claim:

(i) in an amount greater than the Base Claim Amount (such allowed amount being the "Allowed Claim Amount"), Purchaser shall pay to Seller by wire transfer of immediately available funds to Seller's account specified on Schedule 1 hereto within 2 Business Days of such Allowance an amount equal to the difference between (x) the product of (A) the Purchase Rate, multiplied by (B) the Allowed Claim Amount, minus (y) the Funded Purchase Price; or

(ii) in an amount less than the Base Claim Amount, Seller shall refund to Purchaser by wire transfer of immediately available funds to Purchaser's account specified on Schedule 1 hereto within 2 Business Days of such Allowance an amount equal to the difference between (x) the Funded Purchase Price, minus (y) the product of (A) the Purchase Rate, multiplied by (B) the Allowed Claim Amount; provided, however, that in no event shall Seller be required to refund to Purchaser any amount in excess of the Maximum Refund Amount, except as otherwise set forth in this Agreement including, without limitation, in the case of a breach by Seller of its representations, warranties, covenants, agreements or indemnities set forth herein.

7. Conditions Precedent.

(a) Purchaser's obligation to pay the Funded Purchase Price to Seller and to acquire the Transferred Rights on the Effective Date shall be subject to the satisfaction or waiver by Purchaser of the following conditions:

(i) Seller's representations and warranties in this Agreement shall have been true and correct in all material respects (as of the date made);

(ii) On or before the Effective Date, Seller shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Effective Date; and

(iii) Purchaser shall have received (x) this Agreement duly executed on behalf of Seller, and (y) each Evidence of Transfer of Claim in the form attached to this Agreement as Exhibit C, duly executed on behalf of Seller, to be filed with the Bankruptcy Court together with a transfer notice ("Notice of Transfer") evidencing the transfer of the Transferred Rights to Purchaser under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") (collectively, the "Assignment Documents").

(b) Seller's obligation to sell, transfer, assign, grant, and convey the Transferred Rights to Purchaser on the Effective Date shall be subject to the satisfaction or waiver by Seller of the following conditions:

(i) Purchaser's representations and warranties in this Agreement shall have been true and correct in all material respects (as of the date made);

(ii) On or before the Effective Date, Purchaser shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Effective Date; and

(iii) Seller shall have received (x) this Agreement duly executed on behalf of Purchaser, and (y) the Funded Purchase Price from Purchaser.

8. Mutual Representations of Seller and Purchaser. Seller and Purchaser hereby represent and warrant to the other Party that, as of the date hereof:

(a) it is duly organized and validly existing under the laws of its jurisdiction of organization, in good standing under such laws, and has full power and authority and has taken all action necessary to execute and deliver each Assignment Document, to perform its obligations under each Assignment Document and to consummate the transactions contemplated by each Assignment Document;

(b) the making and performance by it of each Assignment Document does not and will not violate any law or regulation of the jurisdiction under which it exists, any other law applicable to it or any other agreement to which it is a party or by which it is bound;

(c) each Assignment Document has been duly and validly authorized, executed and delivered by it and is legal, valid, binding and enforceable against it in accordance with its terms except that the enforceability may be limited by bankruptcy, insolvency or laws governing creditors' rights generally or general equitable principles;

(d) except for such filings that are expressly contemplated in this Agreement, no consent, approval, filing or corporate, partnership or other action is required as a condition to or in connection with execution, delivery and performance of this Agreement and the transactions contemplated herein;

(e) it is an "accredited investor" as such term is defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act");

(f) it acknowledges that (i) the other Party currently may have, and later may come into possession of, information relating to the Transferred Rights, Debtors, or Debtors' affiliates or the status of the Proceedings that is not known to it and that may be material to a decision to buy or sell the Transferred Rights and all related rights (as appropriate) (the "Excluded Information"), (ii) it has not requested the Excluded Information, and has agreed to proceed with the purchase or sale of the Transferred Rights and all related rights (as appropriate) hereunder without receiving the Excluded Information, and (iii) the other Party shall have no liability to it, and each Party waives and releases any claims that it might have against the other Party or the other Party's officers, directors, employees, agents and controlling persons and their respective successors, assigns, heirs and personal representatives whether under applicable securities laws or otherwise, with respect to the nondisclosure of the Excluded Information; provided, however, that each Party's Excluded Information (in its possession as of the date hereof) shall not and does not affect the truth or accuracy of such Party's representations, warranties, covenants, agreements or indemnities in this Agreement;

(g) it is aware that the Aggregate Purchase Price (as adjusted in accordance with the terms hereof) may differ both in kind and amount from any distributions ultimately made pursuant to any plan of reorganization confirmed by the Bankruptcy Court in the Proceedings; and

(h) it has adequate information concerning the business and financial condition of the Debtors, the Transferred Rights and the status of the Proceedings in order to make an informed decision regarding the purchase and sale of the Transferred Rights, and it has independently and without reliance on the other Party, and based on such information as it has deemed appropriate, made its own analysis and decision to enter into this Agreement.

9. Additional Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser that, as of the date hereof:

(a) the Charterer Claim was determined, and the Charterer Proof of Claim was prepared, based on amounts that it believes is owed to it by Charterer as a result of the Rejection;

(b) the Guarantor Claim was determined, and the Guarantor Proof of Claim was prepared, based on amounts that it believes is owed to it by Guarantor under the Guarantee as a result of the Rejection;

(c) no payment or other distribution has been received by or on behalf of it in full or partial satisfaction of the Transferred Rights;

(d) it is the sole legal and beneficial owner of and has good and marketable title to the Transferred Rights, free and clear of any and all liens, claims, security interests, participations, encumbrances or adverse claims against title of any kind or nature whatsoever (other than claims in favor of the Purchaser arising hereunder) and will transfer to Purchaser such good and marketable title in the Transferred Rights, free and clear of liens and encumbrances of any kind (other than claims in favor of the Purchaser arising hereunder);

(e) it (i) has not previously sold, conveyed, transferred, assigned, or participated, the Transferred Rights, in whole or in part, to any party (or agreed to do any of the foregoing), (ii) has not previously pledged or otherwise encumbered the Transferred Rights, in whole or in part, to any party (or agreed to do any of the foregoing) except as set forth in the documents listed Schedule 2 to this Agreement; provided, however, such pledge or encumbrances have been since released and (iii) is the original holder of the Transferred Rights;

(f) it has provided to Purchaser true, correct and complete copies of all material documents evidencing the Transferred Rights, in each case, as amended through the date hereof, and all material notices, documents and agreements relating thereto, and a true, correct and complete list describing such documents is attached as Schedule 3 to this Agreement and other than such documents, there are no other agreements or documents which create, evidence or affect in any material way, (i) the Transferred Rights, (ii) any action taken or to be taken by it under this Agreement or (iii) the rights of Purchaser created or purported to be created hereby;

(g) other than the Proceedings, no other proceedings are pending or to its knowledge, threatened against it, in each case, before any relevant, federal, state or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic (and including arbitral bodies whether governmental, private or otherwise) that, in the aggregate, will adversely affect, (i) the Transferred Rights, (ii) any action taken or to be taken by it under this Agreement or (iii) the rights of Purchaser created or purported to be created hereby;

(h) it has not received notice of any pending avoidance actions under Chapter 5 of the Bankruptcy Code or any other actions, claims, rights, lawsuits, and other causes of action against it or the Transferred Rights in the Proceedings, and, to its knowledge, no legal or equitable defenses, counterclaims, offsets, reductions, recoupments, impairments, avoidances, disallowances or subordinations have been asserted against it in the Proceedings or otherwise by or on behalf of any Debtor or any other party to reduce the amount of the Transferred Rights, delay or reduce distributions or impair the value of the Transferred Rights or related distributions, or otherwise affect the validity or enforceability of the Transferred Rights;

(i) it has not received notice of any objection to the Transferred Rights having been filed in the Proceedings, and it has not received any notice that the Transferred Rights are void or voidable or subject to any disallowance, reduction, impairment or objection of any kind;

(j) it has not engaged (and shall not engage) in any acts, conduct or omissions, and it has not had (and shall not have) any relationship with any Debtor or its affiliates that will result in Purchaser receiving in respect of the Transferred Rights proportionately less in payments or distributions or less favorable treatment than other otherwise similarly situated creditors of such Debtor;

(k) other than amounts paid to it under the Original Charter Agreement in the ordinary course, it does not, and did not on the date of the commencement of the Proceedings, hold any funds or property of a Debtor, and has not effected or received, and shall not effect or receive, the benefit of any setoff against either Debtor;

(l) it did not receive any payments, security interests or other transfers from a Debtor during the 91 days prior to the Petition Date for such Debtor except payments made (i) either (x) in the ordinary course of business or financial affairs of Seller and such Debtor or (y) on ordinary business terms, and (ii) in respect of indebtedness incurred in the ordinary course of business or financial affairs of Seller and such Debtor;

(m) it is not an "affiliate" or "insider" of any of the Debtors within the meaning of sections 101 (2) and 101(31) of the Bankruptcy Code, respectively, and is not, and has not been, a member of any official or unofficial creditors' committee appointed in the Proceedings;

(n) it is not, and never has been, "insolvent" within the meaning of section 1 201(23) of the Uniform Commercial Code or within the meaning of section 101(32) of the Bankruptcy Code;

(o) no broker, finder, agent or other entity under the authority of Seller is entitled to any commission or other fee in connection with the transactions contemplated hereby for which Purchaser could be responsible;

(p) no interest in the Transferred Rights is being sold by or on behalf of one or more Benefit Plans. "Benefit Plan" means an "employee benefit plan" (as defined in ERISA) that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated under it ("ERISA"), a "plan" as defined in section 4975 of the Code or any entity whose assets include (for purposes of ERISA section 3(42) or otherwise for purposes of Title I of ERISA or section 4975 of the Code) the assets of any such "employee benefit plan" or "plan;" and

(q) (i) its sale of the Transferred Rights to Purchaser is irrevocable by Seller and (ii) Seller shall have no recourse to Purchaser, except for (w) amounts payable to Purchaser under Section 6(a)(i) hereof, (x) Purchaser's breaches of its representations, warranties, agreements or covenants, (y) Purchaser's indemnities, in each case as expressly stated in this Agreement and (z) as otherwise set forth herein.

10. Additional Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller that, as of the date hereof:

(a) no proceedings are pending against it or to its knowledge, threatened against it, in each case before any relevant, federal, state or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic (and including arbitral bodies whether governmental, private or otherwise) that, in the aggregate, will adversely affect any action taken or to be taken by it under this Agreement;

(b) without characterizing the Transferred Rights as a "security" within the meaning of applicable security laws, it is not purchasing the Transferred Rights with a view towards the sale or distribution thereof in violation of the Securities Act; provided, however, that Purchaser may resell the Transferred Rights if such resale is otherwise in compliance with Section 14(b) hereof;

(c) it: (i) is a sophisticated entity with respect to the purchase of the Transferred Rights; (ii) is able to bear the economic risk associated with the purchase of the Transferred Rights; (iii) has adequate information concerning the business and financial condition of each of the Debtors in respect of the Transferred Rights and the status of the Proceedings to make an informed decision regarding the purchase of the Transferred Rights; (iv) has such knowledge and experience, and has made investments of a similar nature, so as to be aware of the risks and uncertainties inherent in the purchase of rights and assumption of liabilities of the type contemplated in this Agreement; and (v) has independently and without reliance upon Seller, and based on such information as Purchaser has deemed appropriate, made its own analysis and decision to enter into this Agreement, except that Purchaser has relied upon Seller's express representations, warranties, covenants and indemnities in this Agreement. Purchaser acknowledges that Seller has not given it any investment advice, credit information, or opinion on whether the purchase of the Transferred Rights is prudent;

(d) except as otherwise provided in this Agreement, it has not relied and will not rely on Seller to furnish or make available any documents or other information regarding the credits, affairs, financial condition, or business of any Debtor, or any other matter concerning any Debtor;

(e) no broker, finder, agent or other entity under the authority of Purchaser is entitled to any commission or other fee in connection with the transactions contemplated hereby for which Seller could be responsible;

(f) no interest in the Transferred Rights is being sold by or on behalf of one or more Benefit Plans; and

(g) other than expressly provided in this Agreement, it is acquiring the Transferred Rights on an "as is" and "where is" basis.

11. Covenant of Seller. Seller shall use reasonable efforts to cooperate in filing any amendments or modifications to the Proofs of Claim as Purchaser may reasonably determine,

provided that (x) such amendments and modifications are consistent with the terms of this Agreement, in all respects, (y) such amendments and modifications are reasonably necessary or appropriate to give effect to this Agreement, and (z) Seller shall have no liability for complying with the Purchaser's request.

12. Indemnification.

(a) Seller agrees to indemnify, defend and hold Purchaser and Purchaser's respective officers, directors, employees, agents and controlling persons harmless from and against any and all expenses, losses, claims, damages and liabilities, including reasonable and documented attorneys' fees and expenses resulting from (i) a breach by Seller of any of its representations, warranties, agreements or covenants set forth in this Agreement and (ii) any obligation of Seller or Purchaser to repay, in whole or in part, or otherwise reimburse the Debtors or any other entity for any payments or property actually received, applied or effected by or for the account of Seller under or in connection with the Transferred Rights or otherwise from, against or on account of the Debtors, except to the extent any such amounts have been distributed by Seller to Purchaser; provided, however, in no event shall Seller have any liability whatsoever for any special, punitive, indirect or consequential damages.

(b) Purchaser agrees to indemnify, defend and hold Seller and its officers, directors, employees, agents and controlling persons harmless from and against any and all expenses, losses, claims, damages and liabilities, including reasonable documented attorneys' fees and expenses resulting from a breach by Purchaser of any of its representations, warranties, agreements or covenants of Purchaser set forth in this Agreement; provided, however, in no event shall Purchaser have any liability whatsoever for any special, punitive, indirect or consequential damages.

(c) Except as expressly provided in this Agreement, the indemnification provisions set forth in this Section 12 shall be the sole and exclusive remedy for each Party with respect to any breach of any representations, warranties, agreements or covenants set forth in this Agreement.

13. Attorney-In-Fact; Settlement of Rejection Claim; Further Actions.

(a) Following the Effective Date and except as set forth herein, Seller irrevocably appoints Purchaser as its true and lawful attorney-in-fact and authorizes Purchaser to act in Seller's name, place and stead, solely for the purpose of demanding, suing for, compromising, settling and recovering all amounts as now are, or may hereafter become, due and payable for or on account of the Transferred Rights, including doing all things necessary to enforce the Rejection Claim or any portion thereof and Seller's rights thereunder or related thereto, including entry into a Proposed Settlement. Purchaser shall at all times act in good faith in order to attempt to maximize Allowance of the Rejection Claim, and to attempt to obtain Allowance of the Rejection Claim as soon as reasonably practicable.

(b) At Purchaser's reasonable request (which may be made from time to time), Seller agrees to take such commercially reasonable actions consistent with the terms of this

Agreement (at Purchaser's sole cost and expense) to assist the Purchaser in obtaining Allowance of the Rejection Claim, including without limitation, providing documents, evidence, witnesses, testimony and any other information Purchaser believes is reasonably necessary to maximize Allowance of the Rejection Claim, and to attempt to obtain Allowance of the Rejection Claim as soon as reasonably practicable. For the avoidance of doubt, Seller (or its Representative) shall not be obligated to take any action which Seller determines in good faith is not (x) permitted under applicable law, rule, regulation, or order or (y) consistent with the terms of this Agreement.

(c) Purchaser acknowledges and agrees that Seller shall not be liable for any omissions or actions taken by Seller (or its Representatives) at Purchaser's request pursuant to this Section 13; provided that this Section 13(c) shall not in any way modify Seller's obligations in connection with any Disallowance and/or Settlement Impairment as further set forth in Section 6(a)(ii) and 13(f) respectively.

(d) Notwithstanding any provision in this Section 13 to the contrary, in the event that either Purchaser or Seller receives written notice that a third party (including any Debtor) has commenced any proceeding or arbitration, including a proceeding initiated by the filing of a motion, objection, demand letter, pleading, or other proceeding, which, if successful, would result in a Disallowance (a "Disallowance Proceeding"), then the receiving party shall promptly notify the other party of such Disallowance Proceeding. Purchaser shall prosecute and/or defend the Rejection Claim in the Disallowance Proceeding in consultation with Seller. If Purchaser elects not to prosecute and/or defend the Rejection Claim in the Disallowance Proceeding, it will promptly notify Seller in writing of its election and Seller may take such further action (at Seller's expense) as Seller may determine is necessary or desirable to uphold and defend the Rejection Claim, as further provided for herein. Notwithstanding the foregoing, Seller shall not compromise or settle the Rejection Claim without Purchaser's prior written consent (which consent shall not be unreasonably withheld or delayed) if such settlement would result in an Allowed Claim Amount that is less than the Settlement Limit.

(e) If Purchaser elects to compromise or settle the Rejection Claim through a Settlement Agreement or otherwise (a "Proposed Settlement"), Purchaser shall promptly notify Seller of such Proposed Settlement ("Proposed Settlement Notice") and obtain Seller's prior written consent (which consent shall not be unreasonably withheld or delayed) to any Proposed Settlement that results in an Allowed Claim Amount less than or equal to the Settlement Limit; provided, however that Purchaser shall not be obligated to notify, or obtain written consent of, Seller if the Proposed Settlement results in an Allowed Claim Amount greater than the Settlement Limit. Solely to the extent that the Proposed Settlement results in an Allowed Claim Amount less than or equal to the Settlement Limit, Seller shall, at Seller's option and expense, subject to any timing established by the Bankruptcy Court, have thirty (30) days (the "Seller Defense Period") from its receipt of such Proposed Settlement Notice to negotiate a more favorable settlement of the Rejection Claim with the Debtors or any third party, as the case may be; provided, however, that Seller shall be liable to Purchaser for any reduction or impairment (a "Settlement Impairment") of the Allowed Claim Amount of such Proposed Settlement as a result of Seller's negotiation for a more favorable settlement during the Seller Defense Period. If Seller

elects to negotiate with the Debtors during the Seller Defense Period and is unable to negotiate a superior settlement proposal prior to the expiration of the Seller Defense Period, Purchaser shall have the right to agree to the Proposed Settlement without notice to, or consultation with, Seller. For the avoidance of doubt and except as set forth herein, the Parties acknowledge and agree that any consent given by either Party under this paragraph or any actions taken under this Agreement or any election permitted by this Agreement by either Party not to take action shall not affect or limit in any way such Party's rights, indemnities and remedies under this Agreement or otherwise. For the purposes of this Agreement, the Rejection Claim shall be subject to a "Disallowance" if (i) all or any part of the Rejection Claim is avoided, disallowed, subordinated, reduced, setoff, objected, enjoined to or otherwise impaired, in whole or in part, for any reason whatsoever in that Proceeding, (ii) distributions on such claim are less in pro rata amount or different in nature or timing than distributions on claims of other otherwise similarly situated creditors in the applicable Proceeding and of the same class or type generally, or (iii) such claim is not an allowed, valid, enforceable, non-contingent, liquidated, unsubordinated and non-disputed unsecured claim in the Proceedings, in each case, such that the Allowed Claim Amount is reduced to an amount that is less than the Base Claim Amount.

(f) In the event of a Settlement Impairment, Seller agrees to immediately repay, on demand of Purchaser (which demand shall be made at Purchaser's sole option), an amount equal to the product of (a) the difference between (i) the Allowed Claim Amount of such Proposed Settlement and (ii) the final Allowed Claim Amount multiplied by (b) the Purchase Rate, plus interest thereon at LIBOR plus 4% per annum from the date hereof to the date of repayment, provided, however, that such a demand by Purchaser shall not be deemed an election of remedies or any limitation on any other rights that Purchaser may have hereunder. For the avoidance of doubt, any amounts due and payable by Seller to Purchaser under this Section 13(e) shall not be duplicative of any amounts otherwise refundable by Seller to Purchaser under Section 6(a)(ii) of this Agreement.

(g) The Parties agree, at all times, to keep the other Party promptly apprised of any discussions or proposals with the Debtors (or any other person) with respect to the settlement, compromise, resolution, prosecution or litigation of the Transferred Rights. Seller agrees to use commercially reasonable efforts to forward to Purchaser any correspondence or notices received from the Debtors, the Bankruptcy Court or any third party with respect to the Transferred Rights.

(h) Seller further agrees that if Seller receives any distributions on account of the Transferred Rights, whether in the form of cash, securities, instruments or any other property, the aforementioned shall constitute property of Purchaser to which Purchaser has an absolute right; provided, however, that if any amounts are due and payable hereunder from Purchaser to Seller, Seller may setoff any cash distribution that it receives against such amounts. Except as set forth in the immediately preceding sentence, Seller shall hold such property in trust and will deliver to Purchaser any such property in the same form received, together with any endorsements or documents necessary to transfer such property to Purchaser within three (3) Business Days of receipt in the case of cash and as soon as practicable in the case of securities. Should all or any portion of the distributions on account of the Transferred Rights not be assignable by Seller to Purchaser under applicable law, then Seller grants to Purchaser a participation interest in the Transferred Rights or such distributions, in accordance with applicable law and the terms of this Agreement.

14. Miscellaneous.

(a) Further Assurances. Seller agrees to execute and deliver, or cause to be executed and delivered, all such instruments and documents (including, without limitation, any supporting documents evidencing the Transferred Rights), and to take all such action as Purchaser may reasonably request, reasonably promptly upon the request of Purchaser, (in all cases, at Seller's reasonable cost and expense) in order to effectuate the intent and purpose of, and to carry out the terms of, this Agreement, to enforce and vote the Claim and the Transferred Rights, and to cause Purchaser to become the legal and beneficial owner and holder of the Transferred Rights in accordance with the terms hereof. For the avoidance of doubt, Seller shall not be responsible for Purchaser's attorneys fees arising in connection with this Section 14(a).

(b) Further Transfers. Seller acknowledges that Purchaser may at any time sell, transfer, assign or participate the Transferred Rights, together with all of its rights, title and interest of Purchaser in and to this Agreement, in whole or in part, without the consent of Seller; provided, however, that (i) such sale, transfer, assignment or participation shall not violate any applicable laws, rules or regulations, including, any applicable securities laws, rules or regulations and (ii) notwithstanding any such sale, transfer, assignment or participation, unless Seller otherwise consents in writing, Purchaser's obligations to Seller under this Agreement shall remain in full force and effect until fully paid, performed and satisfied. Purchaser shall be liable for any and all breaches of this Agreement that are not performed and satisfied by any permitted assignee. Purchaser shall use commercially reasonable efforts to notify Seller of any assignment of the Transferred Rights. Seller may not transfer any of its right or obligations hereunder without the express written consent of Purchaser; provided that no consent shall be necessary in connection with the grant or execution of any security interest in Seller's rights in and to this Agreement created for financing purposes generally; provided, however, Seller shall use commercially reasonable efforts to notify Purchaser of any such security interest.

(c) Survival. All representations, warranties, covenants and agreements contained herein shall survive the Effective Date and the execution, delivery and performance of this Agreement and any sale, assignment, participation or transfer by Purchaser of any or all of the Transferred Rights, and shall inure to the benefit and be binding upon Seller, Purchaser and their respective successors and permitted assigns; provided, however, that the obligations of Seller and Purchaser contained herein shall continue and remain in full force and effect until fully paid, performed and satisfied.

(d) Interest. If either Party fails to make a payment or distribution to the other Party within the time period specified in this Agreement, the Party failing to make full payment of any amount when due shall, upon demand by the other Party, pay such amount due together with interest on it for each day from (and including) the date when due to (but excluding) the date when actually paid at a rate per annum equal to LIBOR plus 4%. "LIBOR" means the offered rates by Reference Banks (as such term is defined herein) for deposits in U.S. Dollars for a

period of one week which appear on the Reuters Screen LIBO Page as of 11:00 a.m., London time, on the day on which it is to be determined. The rate shall be the arithmetic mean of quotations provided by Citibank, JPMorgan Chase Bank, Bank of America and Deutsche Bank (the "Reference Banks"); provided, however, that if all four quotations are not available but at least two quotations appear on the Reuters Screen LIBO Page, the rate shall be the arithmetic mean of such quotations. If fewer than two quotations appear, the rate shall be determined by Seller in good faith.

(e) No Set-Off. Except as set forth in Section 13(g) hereof, each payment to be made by either Party hereunder shall be made without set-off, recoupment, counterclaim or deduction of any kind.

(f) Governing Law; Jurisdiction; Service of Process. The laws of the State of New York shall govern this Agreement, without regard to any conflict of laws provisions thereof. Each Party submits to the jurisdiction of the federal or state courts located in the County of New York, State of New York and agrees that any litigation relating to this Agreement shall be brought only in such courts. Each Party consents to service of process by certified mail at its address listed in Schedule 1 hereto.

(g) Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but all of which, together, constitute one and the same instrument. Transmission by facsimile or electronic mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

(h) WAIVER OF JURY TRIAL. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT THEY MAY HAVE TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION, OR IN ANY LEGAL PROCEEDING, DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(i) 3001(e) Transfer. Seller hereby acknowledges and consents to all terms set forth in this Agreement and hereby waives its right to raise any objection thereto and its right to receive notice pursuant to Bankruptcy Rule 3001(e), and consents to the substitution of Seller by Purchaser for all purposes in the case, including, for voting and distribution purposes with respect to the Transferred Rights. Purchaser agrees to file a Notice of Transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) not later than two days after the Effective Date.

(j) Notices. All demands, notices, consents, and communications hereunder shall be in writing and shall be deemed to have been duly given when sent by electronic mail or hand-delivered to the addresses set forth on Schedule 1 hereto, or such other address as may be furnished hereafter by notice in writing. All payments by Seller to Purchaser and Purchaser to Seller under this Agreement shall be made in the lawful currency of the United States by wire transfer of immediately available funds to Seller or Purchaser, as applicable, in accordance with the wire instructions specified in Schedule 1 hereto.

(k) Integration. This Agreement together with any schedules and exhibits hereto, constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings or representations pertaining to the subject matter hereof, whether oral or written. There are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof except as specifically and expressly set forth herein.

(l) Captions and Headings. The captions and headings in this Agreement are for convenience only and are not intended to be full or accurate descriptions of the contents thereof. Such captions and headings shall not be deemed to be part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof.

(m) Severability. If any provision of this Agreement or any other agreement or document delivered in connection with this Agreement, if any, is partially or completely invalid or unenforceable in any jurisdiction, then that provision shall be ineffective in that jurisdiction to the extent of its invalidity or unenforceability, but the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted, nor shall the invalidity or unenforceability of that provision in one jurisdiction affect its validity or enforceability in any other jurisdiction.

(n) Confidentiality. Each Party agrees that except (i) as to implement or enforce the terms of this Agreement, (ii) as required by law or regulation, (iii) as may be compelled by legal process, by an order, judgment or decree of a court of other governmental authority of competent jurisdiction or (iv) disclosures to its own employees, professionals or representatives, it shall not disclose to any person the existence of, or terms and conditions of, this Agreement or any document executed or delivered in connection herewith, except that Purchaser may disclose this Agreement (but not the Aggregate Purchase Price) to any prospective purchaser or transferee of all or any portion of the Transferred Rights; provided, that such prospective purchaser or transferee shall be advised of, and agree to be bound by, either the provisions of this Section 14(n) or other provisions at least as restrictive as this Section 14(n).

(o) Amendments; Waivers.

(i) No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Parties and no waiver of any provision of this Agreement, nor consent to any departure by either Party from it, shall be effective unless it is in writing and signed by the affected Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(ii) No failure on the part of either Party to exercise, and no delay in exercising, any right hereunder or under any related document shall operate as a waiver thereof by such Party, nor shall any single or partial exercise of any right hereunder or under any other related document preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of each Party provided herein and in other related documents (x) are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law and (y) are not conditional or contingent on any attempt by such Party to exercise any of its rights under any other related documents against the other Party or any other entity.

(p) Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, or permitted assigns.

(q) Parent Guarantee. Parent agrees to guarantee all obligations and liabilities of the Seller, including without limitation, (i) a breach by Seller of its representations, warranties, covenants, agreements or indemnities set forth herein; and (ii) any payment obligation of Seller pursuant to Sections 6(a)(ii) or Section 13 herein.

[Remainder of page intentionally left blank; signatures follow on next page]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first stated above.

CAPITAL PRODUCT PARTNERS L.P.

By: /s/ I. Lazaridis
Name: I. LAZARIDIS
Title: CEO & CFO

BELERION MARITIME CO.

By: /s/ E. Bairactaris
Name: E. BAIRACTARIS
Title: Sole Director

DEUTSCHE BANK SECURITIES INC.

By: /s/ Shawn Faurot
Name: SHAWN FAUROT
Title: Managing Director

By: /s/ Joanne Adkins
Name: JOANNE ADKINS
Title: Managing Director

EXHIBIT A1

CHARTER AGREEMENT

EXHIBIT A2

GUARANTEE

EXHIBIT B1

CHARTERER PROOF OF CLAIM

EXHIBIT B2

GUARANTOR PROOF OF CLAIM

EXHIBIT C

EVIDENCE OF TRANSFER OF CLAIM

SCHEDULE 1

WIRE INSTRUCTIONS

NOTICE ADDRESSES

SCHEDULE 2

Capitalized terms used but not defined herein shall have the meanings given them in the Agreement. The following are exceptions to the representations and warranties of Seller set forth in Section 9(e):

- Loan Agreement, dated as of March 19, 2008 (as amended from time to time), by and between (i) the Parent, as borrower, (ii) the banks and financial institutions listed in Schedule 1 thereto, as lenders, (iii) HSH Nordbank AG, as swap bank, bookrunner, mandated lead arranger, facility agent and security trustee, and (iv) DNB Bank ASA, as co-arranger.
- Charterparty Assignment, dated as of August 20, 2008, in respect of the Charter, by and between the Vessel Owner and the Security Trustee (as defined therein).
- Bareboat Charter Security Agreement, dated as of August 20, 2008, by and between the Vessel Owner, Charterer and HSH Nordbank AG as facility agent and security trustee.
- Deed of Release and Reassignment, dated as of May 31, 2013, by and between HSH Nordbank AG, the Parent, the Vessel Owner, Wind Dancer Shipping Inc., Epicurus Shipping Company, Baymont Enterprises Incorporated, Aias Carrier Corp., Miltiadis M II Carrier Corp., Agamemnon Container Carrier Corp., Archimidis Container Carrier Corp., Hercules Container Carrier Corp., and Iason Container Carrier Corp.

SCHEDULE 3

This Schedule 3 is being delivered pursuant to Section 9(e). Capitalized terms used but not defined herein shall have the meanings given them in the Agreement. The following is a true and complete list of all notices, documents and agreements (excluding internal work papers and preliminary calculations), each as amended through the date hereof, that Seller has delivered to Purchaser related to the calculation of the Claim Amount:

- Bareboat charter in respect of the vessel bearing hull number S-1250 and now named the *Overseas Kimolos*, dated August 16, 2006, between Kimolos Tanker Corporation and Belerion Maritime Co.
- Guarantee dated December 18, 2006 by Overseas Shipholding Group, Inc. of the obligations of Kimolos Tanker Corporation under the bareboat charter in respect of the vessel bearing hull number S-1250 and now named the *Overseas Kimolos*, dated August 16, 2006, between Kimolos Tanker Corporation and Belerion Maritime Co.
- Bareboat charter in respect of the vessel bearing hull number S-1250 and now named the *Overseas Kimolos*, dated March 1, 2013, between Kimolos Tanker Corporation and Belerion Maritime Co.
- Guarantee dated March 1, 2013 by Overseas Shipholding Group, Inc. of the obligations of Kimolos Tanker Corporation under the bareboat charter in respect of the vessel bearing hull number S-1250 and now named the *Overseas Kimolos*, dated March 1, 2013, between Kimolos Tanker Corporation and Belerion Maritime Co.
- Operating reports, balances and invoices for various voyages of sister vessel, *Alexandros II* and costs related to the first special survey of sister vessel, *Alexandros II*.

ANNEX 1

"Funded Purchase Price" means $10,515,445.88.

"Holdback Rate" means 0.8159.

"Purchase Rate" means 0.7250.

"Maximum Refund Amount" means $2,957,469.15

Exhibit 4.90

ASSIGNMENT OF CLAIM AGREEMENT

ASSIGNMENT OF CLAIM AGREEMENT ("Agreement") dated as of June 24, 2013 among **CAPITAL PRODUCT PARTNERS L.P.** (the "Parent"), **SORREL SHIPMANAGEMENT INC.** (the "Vessel Owner" or "Seller") and **DEUTSCHE BANK SECURITIES INC.** ("Purchaser"). Seller and Purchaser are referred to herein collectively as the "Parties" and individually as a "Party".

RECITALS

A. Reference is made to the bareboat charter in respect of the vessel bearing hull number S-2035 formerly named the *Overseas Serifos* and now named the *Alexandros II*, dated August 16, 2006, between Serifos Tanker Corporation (the "Charterer") and the Vessel Owner, including the Addendum Number 1, dated December 17, 2012, between the Charterer and the Vessel Owner and all related agreements and addenda (the "Charter Agreement"), a copy of which is attached to this Agreement as Exhibit A1;

B. Pursuant to a guarantee dated December 18, 2006 (the "Guarantee"), a copy of which is attached to this Agreement as Exhibit A2, Overseas Shipholding Group, Inc. (the "Guarantor" and, together with the Charterer, the "Debtors") guaranteed the obligations of the Charterer under the Charter Agreement;

C. On November 14, 2012 (the "Petition Date"), each of the Debtors filed a voluntary petition under chapter 11 of title 11 of the United States Code, (as amended, the "Bankruptcy Code"), and each currently is in a proceeding for reorganization in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), jointly administered under Chapter 11 Case No. 12-20000 (PJW) (the "Proceedings"), with the Charterer's case being Case No. 12-20160 (the "Charterer Proceeding") and the Guarantor's case being Case No. 12-20000 (the "Guarantor Proceeding");

D. Pursuant to that certain *Order Authorizing Rejection of the Existing Overseas Serifos Charter Agreement and Entry into and Performance Under the New Serifos Charter Agreement and the New Guarantee Nunc Pro Tunc as Necessary*, entered by the Bankruptcy Court on March 21, 2013 (the "Rejection Order"), the Charterer, among other things, rejected the Charter Agreement nunc pro tunc effective as of March 1, 2013 pursuant to section 365 of the Bankruptcy Code (the "Rejection");

E. As a result of the Rejection, Seller believes that it has a prepetition general unsecured claim against the Charterer in an amount not less than $18,981,877 (the "Claim Amount"), and a corresponding guarantee claim against Guarantor under the Guarantee in the same amount; and

G. In accordance with the terms hereof, Purchaser desires to purchase the Transferred Rights from Seller, and Seller desires to sell the Transferred Rights to Purchaser, on the terms and conditions set forth herein.

AGREEMENT

In consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. As used herein, the following terms shall have the meanings set forth below:

"Agreement" has the meaning set forth in the Preamble of this Agreement.

"Aggregate Purchase Price" has the meaning set forth in Section 4.

"Allowance" means the first to occur of allowance of the Rejection Claim as an allowed, valid, enforceable, non-contingent, liquidated and non-disputed general unsecured claim (on an unsubordinated basis relative to other similarly situated general unsecured claims): (a) by a Final Order; (b) in the manner set forth in a chapter 11 plan in respect of the Debtors; or (c) in a chapter 7 liquidation applicable to the Debtors.

"Allowed Claim Amount" has the meaning set forth in Section 6(a)(i).

"Assignment Documents" has the meaning set forth in Section 7(a)(iii).

"Bankruptcy Code" has the meaning set forth in the Recitals of this Agreement.

"Bankruptcy Court" has the meaning set forth in the Recitals of this Agreement.

"Bankruptcy Rules" has the meaning set forth in Section 7(a)(iii).

"Base Claim Amount" means the product of (a) the Claim Amount, multiplied by (b) Holdback Rate.

"Benefit Plan" has the meaning set forth in Section 9(p).

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York City are authorized or obligated by law or executive order to close.

"Charter Agreement" has the meaning set forth in the Recitals of this Agreement.

"Charterer" has the meaning set forth in the Recitals of this Agreement.

"Charterer Claim" has the meaning set forth in Section 2(a).

"Charterer Proceeding" has the meaning set forth in the Recitals of this Agreement.

"Charterer Proof of Claim" has the meaning set forth in Section 2(a).

"Claim Amount" has the meaning set forth in the Recitals of this Agreement.

"Debtors" has the meaning set forth in the Recitals of this Agreement.

"Disallowance" has the meaning set forth in Section 13(d).

"Disallowance Proceeding" has the meaning set forth in Section 13(c).

"Effective Date" means the date that the Funded Purchase Price is received by Seller.

"ERISA" has the meaning set forth in Section 9(p).

"Excluded Information" has the meaning set forth in Section 8(f).

"Final Order" mean (a) an order of the Bankruptcy Court which has not been reversed, stayed, modified or amended and as to which (i) any appeal, rehearing or other review has been finally determined in a manner that does not affect such order, or (ii) the time to appeal or seek a rehearing or other review has expired and no appeal, motion for reconsideration has been timely filed; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, as made applicable by Rule 9024 of the Federal Rules of Bankruptcy Procedure, may be filed related to such order shall not cause such order to not be a Final Order, or (b) a settlement agreement (a "Settlement Agreement") among the Debtors and the Parties stipulating to the allowance of the Rejection Claim as an allowed, valid, enforceable, non-contingent, liquidated and non-disputed general unsecured claim in a fixed allowed amount (on an unsubordinated basis relative to other similarly situated general unsecured claims) in the applicable Proceeding approved by an order of the Bankruptcy Court as described in the immediately preceding subclause (a).

"Funded Purchase Price" means the amount as set forth in Annex 1 hereto.

"Guarantee" has the meaning set forth in the Recitals of this Agreement.

"Guarantor" has the meaning set forth in the Recitals of this Agreement.

"Guarantor Claim" has the meaning set forth in Section 2(b).

"Guarantor Proceeding" has the meaning set forth in the Recitals of this Agreement.

"Guarantor Proof of Claim" has the meaning set forth in Section 2(b).

"Holdback Rate" means the Holdback Rate as set forth in Annex 1 hereto.

"Kimolos Charter Agreement" means the bareboat charter in respect of the vessel bearing hull number S-1250 and now named *Overseas Kimolos*, dated August 16, 2006, between Kimolos Tanker Corporation and Belerion Maritime Co. and all other related agreements and addenda thereto.

"LIBOR" has the meaning set forth in Section 14(d).

"Maximum Refund Amount" means the amount as set forth in Annex 1 hereto.

"Notice of Transfer" has the meaning set forth in Section 7(a)(iii).

"Original Charter Agreements" means collectively, (a) the Charter Agreement, (b) the Sifnos Charter Agreement, and (c) the Kimolos Charter Agreement.

"Parent" has the meaning set forth in the Preamble of this Agreement.

"Party" or "Parties" has the meaning set forth in the Preamble of this Agreement.

"Petition Date" has the meaning set forth in the Recitals of this Agreement.

"Proceedings" has the meaning set forth in the Recitals of this Agreement.

"Proposed Settlement" has the meaning set forth in Section 13(d).

"Proposed Settlement Notice" has the meaning set forth in Section 13(d).

"Proofs of Claim" has the meaning set forth in Section 2(b).

"Purchase Rate" means the Purchase Rate as set forth in Annex 1 hereto.

"Purchaser" has the meaning set forth in the Preamble of this Agreement.

"Reference Banks" has the meaning set forth in Section 14(d).

"Rejection" has the meaning set forth in the Recitals of this Agreement.

"Rejection Claim" has the meaning set forth in Section 2(b).

"Rejection Order" has the meaning set forth in the Recitals of this Agreement.

"Representatives" means any affiliates, directors, officers, employees, agents, representatives and other advisors (including financial advisors, attorneys, accountants and other consultants).

"Securities Act" has the meaning set forth in Section 8(e).

"Seller" has the meaning set forth in the Preamble of this Agreement.

"Seller Defense Period" has the meaning set forth in Section 13(d).

"Settlement Limit" means $16,939,469.62.

"Sifnos Charter Agreement" means the bareboat charter in respect of the vessel bearing hull number S-1243 and now named *Overseas Sifnos*, dated August 16, 2006, between Sifnos Tanker Corporation and Wind Dancer Shipping, Inc., and all related agreements and addenda thereto.

"Transferred Rights" means, collectively, the Transferred Charterer Rights and the Transferred Guarantor Rights.

"Transferred Charterer Rights" means all of Seller's right, title and interest in, to and under:

(a) the Charterer Claim, including any and all right to receive principal, interest, fees, damages, penalties and other amounts in respect of the Charterer Claim (in each case whether accruing prior to, on or after the date of this Agreement), and, to the extent relating to the Charterer Claim, accounts, accounts receivable and other similar rights and interests of Seller against Charterer, including all of Seller's right, title and interest in, to and under (i) the Charterer Proof of Claim; and (ii) all rights to receive any cash, interest, penalties, fees, damages and/or other amounts received in respect of or in connection with the Charterer Claim;

(b) any actions, claims, rights, lawsuits and/or causes of action against Charterer, and/or voting rights and other rights and benefits of any nature whatsoever arising out of or in connection with the Charterer Claim;

(c) all rights in, to and under any collateral or guarantees related to the Charterer Claim;

(d) all cash, securities, instruments and other property which may be paid or distributed in satisfaction of Charterer Claim under or pursuant to any plan of reorganization or liquidation in the Charterer Proceedings, any redemption, restructuring or other liquidation or otherwise; and

(e) all proceeds of any kind of the foregoing, including, without limitation, all cash, securities or other property distributed or payable on account of, or exchanged in return for, any of the foregoing.

"Transferred Guarantor Rights" means all of Seller's right, title and interest in, to and under:

(a) the Guarantor Claim, including, any and all right to receive principal, interest, fees, damages, penalties and other amounts in respect of the Guarantor Claim (in each case whether accruing prior to, on or after the date of this Agreement), and, to the extent relating to the Guarantor Claim, accounts, accounts receivable and other similar rights and interests of Seller against Guarantor, including, all of Seller's right, title and interest in, to and under (i) the Guarantor Proof of Claim; and (ii) all rights to receive any cash, interest, penalties, fees, damages and/or other amounts received in respect of or in connection with the Guarantor Claim;

(b) any actions, claims, rights, lawsuits and/or causes of action against Guarantor, and/or voting rights and other rights and benefits of any nature whatsoever arising out of or in connection with the Guarantor Claim;

(c) all rights in, to and under any collateral or guarantees related to the Guarantor Claim;

(d) all cash, securities, instruments and other property which may be paid or distributed in satisfaction of Guarantor Claim under or pursuant to any plan of reorganization or liquidation in the Guarantor Proceedings, any redemption, restructuring or other liquidation or otherwise; and

(e) all proceeds of any kind of the foregoing, including, without limitation, all cash, securities or other property distributed or payable on account of, or exchanged in return for, any of the foregoing.

"Vessel Owner" has the meaning set forth in the Preamble of this Agreement.

2. Proofs of Claim. Seller represents and warrants to Purchaser that, as of the date hereof:

(a) a proof of claim, date-stamped May 24, 2013 and assigned claim number 479 (the "Charterer Proof of Claim"), was duly and timely filed by the Vessel Owner against Charterer in the Charterer Proceeding in the Claim Amount, a true and complete copy of which is attached to this Agreement as Exhibit B1 (such claim is hereinafter referred to as, the "Charterer Claim"); and

(b) a proof of claim, date-stamped May 24, 2013 and assigned claim number 478 (the "Guarantor Proof of Claim", together with the Charterer Proof of Claim, the "Proofs of Claim"), was duly and timely filed by the Vessel Owner against Guarantor in the Guarantor Proceeding in the Claim Amount, a true and complete copy of which is attached to this Agreement as Exhibit B2 (such claim is hereinafter referred to as the "Guarantor Claim" and, together with the Charterer Claim, collectively, the "Rejection Claim");

(c) neither Proof of Claim has been revoked, withdrawn, amended or modified and no right thereunder has been waived; and

(d) the statements in each Proof of Claim (i) are true and correct in all material respects as of the date hereof, and (ii) state all material facts necessary to make such statements not misleading in the context in which they were made.

3. Assignment of Rejection Claim.

(a) In consideration of the mutual covenants and agreements in, and subject to the terms and conditions of, this Agreement:

(i) subject to the satisfaction or waiver by Seller of the conditions in Section 7(b), Seller irrevocably sells, transfers, assigns, grants and conveys the Transferred Rights to Purchaser with effect on and after the Effective Date; and

(ii) subject to the satisfaction or waiver by Purchaser of the conditions in Section 7(a), Purchaser irrevocably acquires the Transferred Rights with effect on and after the Effective Date.

(b) Notwithstanding any other term of this Agreement, following the Effective Date, the sale and assignment of the Transferred Rights shall be deemed an absolute and unconditional assignment of the Transferred Rights for the purpose of collection and satisfaction, and not an assignment or transfer to or assumption by Purchaser of any obligation of Seller under or in connection with the Transferred Rights and/or the Rejection Order (or any document or agreement entered into in connection with the Rejection Order), any and all of which obligations are and shall remain Seller's obligations.

4. Aggregate Purchase Price. The aggregate cash consideration to be paid by Purchaser to Seller for the Transferred Rights is equal to the product of (a) the Purchase Rate, multiplied by (b) the Claim Amount (the product being the "Aggregate Purchase Price"), subject to adjustment pursuant to Section 6.

5. Funded Purchase Price. On the first Business Day following the satisfaction or waiver by Purchaser of the conditions set forth in Section 7(a), Purchaser shall pay to Seller the Funded Purchase Price by wire transfer of immediately available funds to Seller's account specified on Schedule 1 hereto.

6. Allowance of Rejection Claim.

(a) Upon Allowance of the Rejection Claim:

(i) in an amount greater than the Base Claim Amount (such allowed amount being the "Allowed Claim Amount"), Purchaser shall pay to Seller by wire transfer of immediately available funds to Seller's account specified on Schedule 1 hereto within 2 Business Days of such Allowance an amount equal to the difference between (x) the product of (A) the Purchase Rate, multiplied by (B) the Allowed Claim Amount, minus (y) the Funded Purchase Price; or

(ii) in an amount less than the Base Claim Amount, Seller shall refund to Purchaser by wire transfer of immediately available funds to Purchaser's account specified on Schedule 1 hereto within 2 Business Days of such Allowance an amount equal to the difference between (x) the Funded Purchase Price, minus (y) the product of (A) the Purchase Rate, multiplied by (B) the Allowed Claim Amount; provided, however, that in no event shall Seller be required to refund to Purchaser any amount in excess of the Maximum Refund Amount, except as otherwise set forth in this Agreement including, without limitation, in the case of a breach by Seller of its representations, warranties, covenants, agreements or indemnities set forth herein.

7. Conditions Precedent.

(a) Purchaser's obligation to pay the Funded Purchase Price to Seller and to acquire the Transferred Rights on the Effective Date shall be subject to the satisfaction or waiver by Purchaser of the following conditions:

(i) Seller's representations and warranties in this Agreement shall have been true and correct in all material respects (as of the date made);

(ii) On or before the Effective Date, Seller shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Effective Date; and

(iii) Purchaser shall have received (x) this Agreement duly executed on behalf of Seller, and (y) each Evidence of Transfer of Claim in the form attached to this Agreement as Exhibit C, duly executed on behalf of Seller, to be filed with the Bankruptcy Court together with a transfer notice ("Notice of Transfer") evidencing the transfer of the Transferred Rights to Purchaser under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") (collectively, the "Assignment Documents").

(b) Seller's obligation to sell, transfer, assign, grant, and convey the Transferred Rights to Purchaser on the Effective Date shall be subject to the satisfaction or waiver by Seller of the following conditions:

(i) Purchaser's representations and warranties in this Agreement shall have been true and correct in all material respects (as of the date made);

(ii) On or before the Effective Date, Purchaser shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Effective Date; and

(iii) Seller shall have received (x) this Agreement duly executed on behalf of Purchaser, and (y) the Funded Purchase Price from Purchaser.

8. Mutual Representations of Seller and Purchaser. Seller and Purchaser hereby represent and warrant to the other Party that, as of the date hereof:

(a) it is duly organized and validly existing under the laws of its jurisdiction of organization, in good standing under such laws, and has full power and authority and has taken all action necessary to execute and deliver each Assignment Document, to perform its obligations under each Assignment Document and to consummate the transactions contemplated by each Assignment Document;

(b) the making and performance by it of each Assignment Document does not and will not violate any law or regulation of the jurisdiction under which it exists, any other law applicable to it or any other agreement to which it is a party or by which it is bound;

(c) each Assignment Document has been duly and validly authorized, executed and delivered by it and is legal, valid, binding and enforceable against it in accordance with its terms except that the enforceability may be limited by bankruptcy, insolvency or laws governing creditors' rights generally or general equitable principles;

(d) except for such filings that are expressly contemplated in this Agreement, no consent, approval, filing or corporate, partnership or other action is required as a condition to or in connection with execution, delivery and performance of this Agreement and the transactions contemplated herein;

(e) it is an "accredited investor" as such term is defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act");

(f) it acknowledges that (i) the other Party currently may have, and later may come into possession of, information relating to the Transferred Rights, Debtors, or Debtors' affiliates or the status of the Proceedings that is not known to it and that may be material to a decision to buy or sell the Transferred Rights and all related rights (as appropriate) (the "Excluded Information"), (ii) it has not requested the Excluded Information, and has agreed to proceed with the purchase or sale of the Transferred Rights and all related rights (as appropriate) hereunder without receiving the Excluded Information, and (iii) the other Party shall have no liability to it, and each Party waives and releases any claims that it might have against the other Party or the other Party's officers, directors, employees, agents and controlling persons and their respective successors, assigns, heirs and personal representatives whether under applicable securities laws or otherwise, with respect to the nondisclosure of the Excluded Information; provided, however, that each Party's Excluded Information (in its possession as of the date hereof) shall not and does not affect the truth or accuracy of such Party's representations, warranties, covenants, agreements or indemnities in this Agreement;

(g) it is aware that the Aggregate Purchase Price (as adjusted in accordance with the terms hereof) may differ both in kind and amount from any distributions ultimately made pursuant to any plan of reorganization confirmed by the Bankruptcy Court in the Proceedings; and

(h) it has adequate information concerning the business and financial condition of the Debtors, the Transferred Rights and the status of the Proceedings in order to make an informed decision regarding the purchase and sale of the Transferred Rights, and it has independently and without reliance on the other Party, and based on such information as it has deemed appropriate, made its own analysis and decision to enter into this Agreement.

9. Additional Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser that, as of the date hereof:

(a) the Charterer Claim was determined, and the Charterer Proof of Claim was prepared, based on amounts that it believes is owed to it by Charterer as a result of the Rejection;

(b) the Guarantor Claim was determined, and the Guarantor Proof of Claim was prepared, based on amounts that it believes is owed to it by Guarantor under the Guarantee as a result of the Rejection;

(c) no payment or other distribution has been received by or on behalf of it in full or partial satisfaction of the Transferred Rights;

(d) it is the sole legal and beneficial owner of and has good and marketable title to the Transferred Rights, free and clear of any and all liens, claims, security interests, participations, encumbrances or adverse claims against title of any kind or nature whatsoever (other than claims in favor of the Purchaser arising hereunder) and will transfer to Purchaser such good and marketable title in the Transferred Rights, free and clear of liens and encumbrances of any kind (other than claims in favor of the Purchaser arising hereunder);

(e) it (i) has not previously sold, conveyed, transferred, assigned, or participated, the Transferred Rights, in whole or in part, to any party (or agreed to do any of the foregoing), (ii) has not previously pledged or otherwise encumbered the Transferred Rights, in whole or in part, to any party (or agreed to do any of the foregoing) except as set forth in the documents listed Schedule 2 to this Agreement; provided, however, such pledge or encumbrances have been since released and (iii) is the original holder of the Transferred Rights;

(f) it has provided to Purchaser true, correct and complete copies of all material documents evidencing the Transferred Rights, in each case, as amended through the date hereof, and all material notices, documents and agreements relating thereto, and a true, correct and complete list describing such documents is attached as Schedule 3 to this Agreement and other than such documents, there are no other agreements or documents which create, evidence or affect in any material way, (i) the Transferred Rights, (ii) any action taken or to be taken by it under this Agreement or (iii) the rights of Purchaser created or purported to be created hereby;

(g) other than the Proceedings, no other proceedings are pending or to its knowledge, threatened against it, in each case, before any relevant, federal, state or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic (and including arbitral bodies whether governmental, private or otherwise) that, in the aggregate, will adversely affect, (i) the Transferred Rights, (ii) any action taken or to be taken by it under this Agreement or (iii) the rights of Purchaser created or purported to be created hereby;

(h) it has not received notice of any pending avoidance actions under Chapter 5 of the Bankruptcy Code or any other actions, claims, rights, lawsuits, and other causes of action against it or the Transferred Rights in the Proceedings, and, to its knowledge, no legal or equitable defenses, counterclaims, offsets, reductions, recoupments, impairments, avoidances, disallowances or subordinations have been asserted against it in the Proceedings or otherwise by or on behalf of any Debtor or any other party to reduce the amount of the Transferred Rights, delay or reduce distributions or impair the value of the Transferred Rights or related distributions, or otherwise affect the validity or enforceability of the Transferred Rights;

(i) it has not received notice of any objection to the Transferred Rights having been filed in the Proceedings, and it has not received any notice that the Transferred Rights are void or voidable or subject to any disallowance, reduction, impairment or objection of any kind;

(j) it has not engaged (and shall not engage) in any acts, conduct or omissions, and it has not had (and shall not have) any relationship with any Debtor or its affiliates that will result in Purchaser receiving in respect of the Transferred Rights proportionately less in payments or distributions or less favorable treatment than other otherwise similarly situated creditors of such Debtor;

(k) other than amounts paid to it under the Original Charter Agreement in the ordinary course, it does not, and did not on the date of the commencement of the Proceedings, hold any funds or property of a Debtor, and has not effected or received, and shall not effect or receive, the benefit of any setoff against either Debtor;

(l) it did not receive any payments, security interests or other transfers from a Debtor during the 91 days prior to the Petition Date for such Debtor except payments made (i) either (x) in the ordinary course of business or financial affairs of Seller and such Debtor or (y) on ordinary business terms, and (ii) in respect of indebtedness incurred in the ordinary course of business or financial affairs of Seller and such Debtor;

(m) it is not an "affiliate" or "insider" of any of the Debtors within the meaning of sections 101 (2) and 101(31) of the Bankruptcy Code, respectively, and is not, and has not been, a member of any official or unofficial creditors' committee appointed in the Proceedings;

(n) it is not, and never has been, "insolvent" within the meaning of section 1 201(23) of the Uniform Commercial Code or within the meaning of section 101(32) of the Bankruptcy Code;

(o) no broker, finder, agent or other entity under the authority of Seller is entitled to any commission or other fee in connection with the transactions contemplated hereby for which Purchaser could be responsible;

(p) no interest in the Transferred Rights is being sold by or on behalf of one or more Benefit Plans. "Benefit Plan" means an "employee benefit plan" (as defined in ERISA) that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated under it ("ERISA"), a "plan" as defined in section 4975 of the Code or any entity whose assets include (for purposes of ERISA section 3(42) or otherwise for purposes of Title I of ERISA or section 4975 of the Code) the assets of any such "employee benefit plan" or "plan;" and

(q) (i) its sale of the Transferred Rights to Purchaser is irrevocable by Seller and (ii) Seller shall have no recourse to Purchaser, except for (w) amounts payable to Purchaser under Section 6(a)(i) hereof, (x) Purchaser's breaches of its representations, warranties, agreements or covenants, (y) Purchaser's indemnities, in each case as expressly stated in this Agreement and (z) as otherwise set forth herein.

10. Additional Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller that, as of the date hereof:

(a) no proceedings are pending against it or to its knowledge, threatened against it, in each case before any relevant, federal, state or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic (and including arbitral bodies whether governmental, private or otherwise) that, in the aggregate, will adversely affect any action taken or to be taken by it under this Agreement;

(b) without characterizing the Transferred Rights as a "security" within the meaning of applicable security laws, it is not purchasing the Transferred Rights with a view towards the sale or distribution thereof in violation of the Securities Act; provided, however, that Purchaser may resell the Transferred Rights if such resale is otherwise in compliance with Section 14(b) hereof;

(c) it: (i) is a sophisticated entity with respect to the purchase of the Transferred Rights; (ii) is able to bear the economic risk associated with the purchase of the Transferred Rights; (iii) has adequate information concerning the business and financial condition of each of the Debtors in respect of the Transferred Rights and the status of the Proceedings to make an informed decision regarding the purchase of the Transferred Rights; (iv) has such knowledge and experience, and has made investments of a similar nature, so as to be aware of the risks and uncertainties inherent in the purchase of rights and assumption of liabilities of the type contemplated in this Agreement; and (v) has independently and without reliance upon Seller, and based on such information as Purchaser has deemed appropriate, made its own analysis and decision to enter into this Agreement, except that Purchaser has relied upon Seller's express representations, warranties, covenants and indemnities in this Agreement. Purchaser acknowledges that Seller has not given it any investment advice, credit information, or opinion on whether the purchase of the Transferred Rights is prudent;

(d) except as otherwise provided in this Agreement, it has not relied and will not rely on Seller to furnish or make available any documents or other information regarding the credits, affairs, financial condition, or business of any Debtor, or any other matter concerning any Debtor;

(e) no broker, finder, agent or other entity under the authority of Purchaser is entitled to any commission or other fee in connection with the transactions contemplated hereby for which Seller could be responsible;

(f) no interest in the Transferred Rights is being sold by or on behalf of one or more Benefit Plans; and

(g) other than expressly provided in this Agreement, it is acquiring the Transferred Rights on an "as is" and "where is" basis.

11. Covenant of Seller. Seller shall use reasonable efforts to cooperate in filing any amendments or modifications to the Proofs of Claim as Purchaser may reasonably determine,

provided that (x) such amendments and modifications are consistent with the terms of this Agreement, in all respects, (y) such amendments and modifications are reasonably necessary or appropriate to give effect to this Agreement, and (z) Seller shall have no liability for complying with the Purchaser's request.

12. Indemnification.

(a) Seller agrees to indemnify, defend and hold Purchaser and Purchaser's respective officers, directors, employees, agents and controlling persons harmless from and against any and all expenses, losses, claims, damages and liabilities, including reasonable and documented attorneys' fees and expenses resulting from (i) a breach by Seller of any of its representations, warranties, agreements or covenants set forth in this Agreement and (ii) any obligation of Seller or Purchaser to repay, in whole or in part, or otherwise reimburse the Debtors or any other entity for any payments or property actually received, applied or effected by or for the account of Seller under or in connection with the Transferred Rights or otherwise from, against or on account of the Debtors, except to the extent any such amounts have been distributed by Seller to Purchaser; provided, however, in no event shall Seller have any liability whatsoever for any special, punitive, indirect or consequential damages.

(b) Purchaser agrees to indemnify, defend and hold Seller and its officers, directors, employees, agents and controlling persons harmless from and against any and all expenses, losses, claims, damages and liabilities, including reasonable documented attorneys' fees and expenses resulting from a breach by Purchaser of any of its representations, warranties, agreements or covenants of Purchaser set forth in this Agreement; provided, however, in no event shall Purchaser have any liability whatsoever for any special, punitive, indirect or consequential damages.

(c) Except as expressly provided in this Agreement, the indemnification provisions set forth in this Section 12 shall be the sole and exclusive remedy for each Party with respect to any breach of any representations, warranties, agreements or covenants set forth in this Agreement.

13. Attorney-In-Fact; Settlement of Rejection Claim; Further Actions.

(a) Following the Effective Date and except as set forth herein, Seller irrevocably appoints Purchaser as its true and lawful attorney-in-fact and authorizes Purchaser to act in Seller's name, place and stead, solely for the purpose of demanding, suing for, compromising, settling and recovering all amounts as now are, or may hereafter become, due and payable for or on account of the Transferred Rights, including doing all things necessary to enforce the Rejection Claim or any portion thereof and Seller's rights thereunder or related thereto, including entry into a Proposed Settlement. Purchaser shall at all times act in good faith in order to attempt to maximize Allowance of the Rejection Claim, and to attempt to obtain Allowance of the Rejection Claim as soon as reasonably practicable.

(b) At Purchaser's reasonable request (which may be made from time to time), Seller agrees to take such commercially reasonable actions consistent with the terms of this

Agreement (at Purchaser's sole cost and expense) to assist the Purchaser in obtaining Allowance of the Rejection Claim, including without limitation, providing documents, evidence, witnesses, testimony and any other information Purchaser believes is reasonably necessary to maximize Allowance of the Rejection Claim, and to attempt to obtain Allowance of the Rejection Claim as soon as reasonably practicable. For the avoidance of doubt, Seller (or its Representative) shall not be obligated to take any action which Seller determines in good faith is not (x) permitted under applicable law, rule, regulation, or order or (y) consistent with the terms of this Agreement.

(c) Purchaser acknowledges and agrees that Seller shall not be liable for any omissions or actions taken by Seller (or its Representatives) at Purchaser's request pursuant to this Section 13; provided that this Section 13(c) shall not in any way modify Seller's obligations in connection with any Disallowance and/or Settlement Impairment as further set forth in Section 6(a)(ii) and 13(f) respectively.

(d) Notwithstanding any provision in this Section 13 to the contrary, in the event that either Purchaser or Seller receives written notice that a third party (including any Debtor) has commenced any proceeding or arbitration, including a proceeding initiated by the filing of a motion, objection, demand letter, pleading, or other proceeding, which, if successful, would result in a Disallowance (a "Disallowance Proceeding"), then the receiving party shall promptly notify the other party of such Disallowance Proceeding. Purchaser shall prosecute and/or defend the Rejection Claim in the Disallowance Proceeding in consultation with Seller. If Purchaser elects not to prosecute and/or defend the Rejection Claim in the Disallowance Proceeding, it will promptly notify Seller in writing of its election and Seller may take such further action (at Seller's expense) as Seller may determine is necessary or desirable to uphold and defend the Rejection Claim, as further provided for herein. Notwithstanding the foregoing, Seller shall not compromise or settle the Rejection Claim without Purchaser's prior written consent (which consent shall not be unreasonably withheld or delayed) if such settlement would result in an Allowed Claim Amount that is less than the Settlement Limit.

(e) If Purchaser elects to compromise or settle the Rejection Claim through a Settlement Agreement or otherwise (a "Proposed Settlement"), Purchaser shall promptly notify Seller of such Proposed Settlement ("Proposed Settlement Notice") and obtain Seller's prior written consent (which consent shall not be unreasonably withheld or delayed) to any Proposed Settlement that results in an Allowed Claim Amount less than or equal to the Settlement Limit; provided, however that Purchaser shall not be obligated to notify, or obtain written consent of, Seller if the Proposed Settlement results in an Allowed Claim Amount greater than the Settlement Limit. Solely to the extent that the Proposed Settlement results in an Allowed Claim Amount less than or equal to the Settlement Limit, Seller shall, at Seller's option and expense, subject to any timing established by the Bankruptcy Court, have thirty (30) days (the "Seller Defense Period") from its receipt of such Proposed Settlement Notice to negotiate a more favorable settlement of the Rejection Claim with the Debtors or any third party, as the case may be; provided, however, that Seller shall be liable to Purchaser for any reduction or impairment (a "Settlement Impairment") of the Allowed Claim Amount of such Proposed Settlement as a result of Seller's negotiation for a more favorable settlement during the Seller Defense Period. If Seller

elects to negotiate with the Debtors during the Seller Defense Period and is unable to negotiate a superior settlement proposal prior to the expiration of the Seller Defense Period, Purchaser shall have the right to agree to the Proposed Settlement without notice to, or consultation with, Seller. For the avoidance of doubt and except as set forth herein, the Parties acknowledge and agree that any consent given by either Party under this paragraph or any actions taken under this Agreement or any election permitted by this Agreement by either Party not to take action shall not affect or limit in any way such Party's rights, indemnities and remedies under this Agreement or otherwise. For the purposes of this Agreement, the Rejection Claim shall be subject to a "Disallowance" if (i) all or any part of the Rejection Claim is avoided, disallowed, subordinated, reduced, setoff, objected, enjoined to or otherwise impaired, in whole or in part, for any reason whatsoever in that Proceeding, (ii) distributions on such claim are less in pro rata amount or different in nature or timing than distributions on claims of other otherwise similarly situated creditors in the applicable Proceeding and of the same class or type generally, or (iii) such claim is not an allowed, valid, enforceable, non-contingent, liquidated, unsubordinated and non-disputed unsecured claim in the Proceedings, in each case, such that the Allowed Claim Amount is reduced to an amount that is less than the Base Claim Amount.

(f) In the event of a Settlement Impairment, Seller agrees to immediately repay, on demand of Purchaser (which demand shall be made at Purchaser's sole option), an amount equal to the product of (a) the difference between (i) the Allowed Claim Amount of such Proposed Settlement and (ii) the final Allowed Claim Amount multiplied by (b) the Purchase Rate, plus interest thereon at LIBOR plus 4% per annum from the date hereof to the date of repayment, provided, however, that such a demand by Purchaser shall not be deemed an election of remedies or any limitation on any other rights that Purchaser may have hereunder. For the avoidance of doubt, any amounts due and payable by Seller to Purchaser under this Section 13(e) shall not be duplicative of any amounts otherwise refundable by Seller to Purchaser under Section 6(a)(ii) of this Agreement.

(g) The Parties agree, at all times, to keep the other Party promptly apprised of any discussions or proposals with the Debtors (or any other person) with respect to the settlement, compromise, resolution, prosecution or litigation of the Transferred Rights. Seller agrees to use commercially reasonable efforts to forward to Purchaser any correspondence or notices received from the Debtors, the Bankruptcy Court or any third party with respect to the Transferred Rights.

(h) Seller further agrees that if Seller receives any distributions on account of the Transferred Rights, whether in the form of cash, securities, instruments or any other property, the aforementioned shall constitute property of Purchaser to which Purchaser has an absolute right; provided, however, that if any amounts are due and payable hereunder from Purchaser to Seller, Seller may setoff any cash distribution that it receives against such amounts. Except as set forth in the immediately preceding sentence, Seller shall hold such property in trust and will deliver to Purchaser any such property in the same form received, together with any endorsements or documents necessary to transfer such property to Purchaser within three (3) Business Days of receipt in the case of cash and as soon as practicable in the case of securities. Should all or any portion of the distributions on account of the Transferred Rights not be assignable by Seller to Purchaser under applicable law, then Seller grants to Purchaser a participation interest in the Transferred Rights or such distributions, in accordance with applicable law and the terms of this Agreement.

14. Miscellaneous.

(a) Further Assurances. Seller agrees to execute and deliver, or cause to be executed and delivered, all such instruments and documents (including, without limitation, any supporting documents evidencing the Transferred Rights), and to take all such action as Purchaser may reasonably request, reasonably promptly upon the request of Purchaser, (in all cases, at Seller's reasonable cost and expense) in order to effectuate the intent and purpose of, and to carry out the terms of, this Agreement, to enforce and vote the Claim and the Transferred Rights, and to cause Purchaser to become the legal and beneficial owner and holder of the Transferred Rights in accordance with the terms hereof. For the avoidance of doubt, Seller shall not be responsible for Purchaser's attorneys fees arising in connection with this Section 14(a).

(b) Further Transfers. Seller acknowledges that Purchaser may at any time sell, transfer, assign or participate the Transferred Rights, together with all of its rights, title and interest of Purchaser in and to this Agreement, in whole or in part, without the consent of Seller; provided, however, that (i) such sale, transfer, assignment or participation shall not violate any applicable laws, rules or regulations, including, any applicable securities laws, rules or regulations and (ii) notwithstanding any such sale, transfer, assignment or participation, unless Seller otherwise consents in writing, Purchaser's obligations to Seller under this Agreement shall remain in full force and effect until fully paid, performed and satisfied. Purchaser shall be liable for any and all breaches of this Agreement that are not performed and satisfied by any permitted assignee. Purchaser shall use commercially reasonable efforts to notify Seller of any assignment of the Transferred Rights. Seller may not transfer any of its right or obligations hereunder without the express written consent of Purchaser; provided that no consent shall be necessary in connection with the grant or execution of any security interest in Seller's rights in and to this Agreement created for financing purposes generally; provided, however, Seller shall use commercially reasonable efforts to notify Purchaser of any such security interest.

(c) Survival. All representations, warranties, covenants and agreements contained herein shall survive the Effective Date and the execution, delivery and performance of this Agreement and any sale, assignment, participation or transfer by Purchaser of any or all of the Transferred Rights, and shall inure to the benefit and be binding upon Seller, Purchaser and their respective successors and permitted assigns; provided, however, that the obligations of Seller and Purchaser contained herein shall continue and remain in full force and effect until fully paid, performed and satisfied.

(d) Interest. If either Party fails to make a payment or distribution to the other Party within the time period specified in this Agreement, the Party failing to make full payment of any amount when due shall, upon demand by the other Party, pay such amount due together with interest on it for each day from (and including) the date when due to (but excluding) the date when actually paid at a rate per annum equal to LIBOR plus 4%. "LIBOR" means the offered rates by Reference Banks (as such term is defined herein) for deposits in U.S. Dollars for a

period of one week which appear on the Reuters Screen LIBO Page as of 11:00 a.m., London time, on the day on which it is to be determined. The rate shall be the arithmetic mean of quotations provided by Citibank, JPMorgan Chase Bank, Bank of America and Deutsche Bank (the "Reference Banks"); provided, however, that if all four quotations are not available but at least two quotations appear on the Reuters Screen LIBO Page, the rate shall be the arithmetic mean of such quotations. If fewer than two quotations appear, the rate shall be determined by Seller in good faith.

(e) No Set-Off. Except as set forth in Section 13(g) hereof, each payment to be made by either Party hereunder shall be made without set-off, recoupment, counterclaim or deduction of any kind.

(f) Governing Law; Jurisdiction; Service of Process. The laws of the State of New York shall govern this Agreement, without regard to any conflict of laws provisions thereof. Each Party submits to the jurisdiction of the federal or state courts located in the County of New York, State of New York and agrees that any litigation relating to this Agreement shall be brought only in such courts. Each Party consents to service of process by certified mail at its address listed in Schedule 1 hereto.

(g) Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but all of which, together, constitute one and the same instrument. Transmission by facsimile or electronic mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

(h) WAIVER OF JURY TRIAL. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT THEY MAY HAVE TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION, OR IN ANY LEGAL PROCEEDING, DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(i) 3001(e) Transfer. Seller hereby acknowledges and consents to all terms set forth in this Agreement and hereby waives its right to raise any objection thereto and its right to receive notice pursuant to Bankruptcy Rule 3001(e), and consents to the substitution of Seller by Purchaser for all purposes in the case, including, for voting and distribution purposes with respect to the Transferred Rights. Purchaser agrees to file a Notice of Transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) not later than two days after the Effective Date.

(j) Notices. All demands, notices, consents, and communications hereunder shall be in writing and shall be deemed to have been duly given when sent by electronic mail or hand-delivered to the addresses set forth on Schedule 1 hereto, or such other address as may be furnished hereafter by notice in writing. All payments by Seller to Purchaser and Purchaser to Seller under this Agreement shall be made in the lawful currency of the United States by wire transfer of immediately available funds to Seller or Purchaser, as applicable, in accordance with the wire instructions specified in Schedule 1 hereto.

(k) Integration. This Agreement together with any schedules and exhibits hereto, constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings or representations pertaining to the subject matter hereof, whether oral or written. There are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof except as specifically and expressly set forth herein.

(l) Captions and Headings. The captions and headings in this Agreement are for convenience only and are not intended to be full or accurate descriptions of the contents thereof. Such captions and headings shall not be deemed to be part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof.

(m) Severability. If any provision of this Agreement or any other agreement or document delivered in connection with this Agreement, if any, is partially or completely invalid or unenforceable in any jurisdiction, then that provision shall be ineffective in that jurisdiction to the extent of its invalidity or unenforceability, but the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted, nor shall the invalidity or unenforceability of that provision in one jurisdiction affect its validity or enforceability in any other jurisdiction.

(n) Confidentiality. Each Party agrees that except (i) as to implement or enforce the terms of this Agreement, (ii) as required by law or regulation, (iii) as may be compelled by legal process, by an order, judgment or decree of a court of other governmental authority of competent jurisdiction or (iv) disclosures to its own employees, professionals or representatives, it shall not disclose to any person the existence of, or terms and conditions of, this Agreement or any document executed or delivered in connection herewith, except that Purchaser may disclose this Agreement (but not the Aggregate Purchase Price) to any prospective purchaser or transferee of all or any portion of the Transferred Rights; provided, that such prospective purchaser or transferee shall be advised of, and agree to be bound by, either the provisions of this Section 14(n) or other provisions at least as restrictive as this Section 14(n).

(o) Amendments; Waivers.

(i) No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Parties and no waiver of any provision of this Agreement, nor consent to any departure by either Party from it, shall be effective unless it is in writing and signed by the affected Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(ii) No failure on the part of either Party to exercise, and no delay in exercising, any right hereunder or under any related document shall operate as a waiver thereof by such Party, nor shall any single or partial exercise of any right hereunder or under any other related document preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of each Party provided herein and in other related documents (x) are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law and (y) are not conditional or contingent on any attempt by such Party to exercise any of its rights under any other related documents against the other Party or any other entity.

(p) Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, or permitted assigns.

(q) Parent Guarantee. Parent agrees to guarantee all obligations and liabilities of the Seller, including without limitation, (i) a breach by Seller of its representations, warranties, covenants, agreements or indemnities set forth herein; and (ii) any payment obligation of Seller pursuant to Sections 6(a)(ii) or Section 13 herein.

[Remainder of page intentionally left blank; signatures follow on next page]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first stated above.

CAPITAL PRODUCT PARTNERS L.P.

By: /s/ I. Lazaridis
Name: I. Lazaridis
Title: CEO & CFO

SORREL SHIPMANAGEMENT INC.

By: /s/ Evangelos Bairaktaris
Name: Evangelos Bairaktaris
Title: Sole Director

DEUTSCHE BANK SECURITIES INC.

By: /s/ Shawn Faurot
Name: Shawn Faurot
Title: Managing Director

By: /s/ Joanne Adkins
Name: Joanne Adkins
Title: Managing Director

EXHIBIT A1

CHARTER AGREEMENT

EXHIBIT A2

GUARANTEE

EXHIBIT B1

CHARTERER PROOF OF CLAIM

EXHIBIT B2

GUARANTOR PROOF OF CLAIM

EXHIBIT C

EVIDENCE OF TRANSFER OF CLAIM

SCHEDULE 1

WIRE INSTRUCTIONS

NOTICE ADDRESSES

SCHEDULE 2

Capitalized terms used but not defined herein shall have the meanings given them in the Agreement. The following are exceptions to the representations and warranties of Seller set forth in Section 9(e):

- Loan Agreement, dated as of March 22, 2007 (as amended from time to time), by and between (i) the Parent, as borrower, (ii) the banks and financial institutions listed in Schedule 1 thereto, as lenders, and (iii) HSH Nordbank AG, as swap bank, bookrunner, agent and security trustee.
- Charterparty Assignment, dated as of January 29, 2008, in respect of the Charter, by and between the Vessel Owner and the Security Trustee (as defined therein).
- Bareboat Charter Security Agreement, dated as of February 1, 2008, by and between the Vessel Owner, Charterer and HSH Nordbank AG as agent and security trustee.
- Deed of Release and Reassignment, dated as of May 31, 2013, by and between HSH Nordbank AG, the Parent, the Vessel Owner, Apollonas Shipping Company, Navarro International S.A., Carnation Shipping Company, Centurion Navigation Limited, Iraklitos Shipping Company, Polarwind Maritime S.A., Shipping Rider Co., Tempest Marine Inc., Ross Shipmanagement Co., Laredo Maritime Inc., Lorenzo Shipmanagement Inc., Splendor Shipholding S.A., Mango Finance Corp., Adrian Shipholding Inc., Forbes Maritime Co., Canvey Shipmanagement Co. and Amoureux Carriers Corp.

SCHEDULE 3

This Schedule 3 is being delivered pursuant to Section 9(e). Capitalized terms used but not defined herein shall have the meanings given them in the Agreement. The following is a true and complete list of all notices, documents and agreements (excluding internal work papers and preliminary calculations), each as amended through the date hereof, that Seller has delivered to Purchaser related to the calculation of the Claim Amount:

- Bareboat charter in respect of the vessel bearing hull number S-2035 formerly named the *Overseas Serifos* and now named the *Alexandros II*, dated August 16, 2006, between Serifos Tanker Corporation and Sorrel Shipmanagement Inc.
- Guarantee dated December 18, 2006 by Overseas Shipholding Group, Inc. of the obligations of Serifos Tanker Corporation under the bareboat charter in respect of the vessel bearing hull number S-2035 formerly named the *Overseas Serifos* and now named the *Alexandros II*, dated August 16, 2006, between Serifos Tanker Corporation and Sorrel Shipmanagement Inc.
- Bareboat charter in respect of the vessel bearing hull number S-2035 formerly named the *Overseas Serifos* and now named the *Alexandros II*, dated March 1, 2013, between Serifos Tanker Corporation and Sorrel Shipmanagement Inc.
- Guarantee dated March 1, 2013 by Overseas Shipholding Group, Inc. of the obligations of Serifos Tanker Corporation under the bareboat charter in respect of the vessel bearing hull number S-2035 formerly named the *Overseas Serifos* and now named the *Alexandros II*, dated March 1, 2013, between Serifos Tanker Corporation and Sorrel Shipmanagement Inc.
- Addendum Number 1, dated December 17, 2012, between Serifos Tanker Corporation and Sorrel Shipmanagement Inc.
- Operating reports, balances and invoices for various voyages of *Alexandros II* and costs related to the first special survey of *Alexandros II*.

ANNEX 1

"Funded Purchase Price" means $11,228,648.95.

"Holdback Rate" means 0.8159.

"Purchase Rate" means 0.7250.

"Maximum Refund Amount" means $3,158,057.52.

Exhibit 4.91

ASSIGNMENT OF CLAIM AGREEMENT

ASSIGNMENT OF CLAIM AGREEMENT ("Agreement") dated as of June 24, 2013 among **CAPITAL PRODUCT PARTNERS L.P.** (the "Parent"), **WIND DANCER SHIPPING INC.** (the "Vessel Owner" or "Seller") and **DEUTSCHE BANK SECURITIES INC.** ("Purchaser"). Seller and Purchaser are referred to herein collectively as the "Parties" and individually as a "Party".

RECITALS

A. Reference is made to the bareboat charter in respect of the vessel bearing hull number S-1243 and now named the *Overseas Sifnos*, dated August 16, 2006, between Sifnos Tanker Corporation (the "Charterer") and the Vessel Owner, including all related agreements and addenda (the "Charter Agreement"), a copy of which is attached to this Agreement as Exhibit A1;

B. Pursuant to a guarantee dated December 18, 2006 (the "Guarantee"), a copy of which is attached to this Agreement as Exhibit A2, Overseas Shipholding Group, Inc. (the "Guarantor" and, together with the Charterer, the "Debtors") guaranteed the obligations of the Charterer under the Charter Agreement;

C. On November 14, 2012 (the "Petition Date"), each of the Debtors filed a voluntary petition under chapter 11 of title 11 of the United States Code, (as amended, the "Bankruptcy Code"), and each currently is in a proceeding for reorganization in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), jointly administered under Chapter 11 Case No. 12-20000 (PJW) (the "Proceedings"), with the Charterer's case being Case No. 12-20163 (the "Charterer Proceeding") and the Guarantor's case being Case No. 12-20000 (the "Guarantor Proceeding");

D. Pursuant to that certain *Order Authorizing Rejection of the Existing Overseas Sifnos Charter Agreement and Entry into and Performance Under the New Sifnos Charter Agreement and the New Guarantee Nunc Pro Tunc as Necessary*, entered by the Bankruptcy Court on March 21, 2013 (the "Rejection Order"), the Charterer, among other things, rejected the Charter Agreement nunc pro tunc effective as of March 1, 2013 pursuant to section 365 of the Bankruptcy Code (the "Rejection");

E. As a result of the Rejection, Seller believes that it has a prepetition general unsecured claim against the Charterer in an amount not less than $17,337,467 (the "Claim Amount"), and a corresponding guarantee claim against Guarantor under the Guarantee in the same amount; and

G. In accordance with the terms hereof, Purchaser desires to purchase the Transferred Rights from Seller, and Seller desires to sell the Transferred Rights to Purchaser, on the terms and conditions set forth herein.

AGREEMENT

In consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. As used herein, the following terms shall have the meanings set forth below:

"Agreement" has the meaning set forth in the Preamble of this Agreement.

"Aggregate Purchase Price" has the meaning set forth in Section 4.

"Allowance" means the first to occur of allowance of the Rejection Claim as an allowed, valid, enforceable, non-contingent, liquidated and non-disputed general unsecured claim (on an unsubordinated basis relative to other similarly situated general unsecured claims): (a) by a Final Order; (b) in the manner set forth in a chapter 11 plan in respect of the Debtors; or (c) in a chapter 7 liquidation applicable to the Debtors.

"Allowed Claim Amount" has the meaning set forth in Section 6(a)(i).

"Assignment Documents" has the meaning set forth in Section 7(a)(iii).

"Bankruptcy Code" has the meaning set forth in the Recitals of this Agreement.

"Bankruptcy Court" has the meaning set forth in the Recitals of this Agreement.

"Bankruptcy Rules" has the meaning set forth in Section 7(a)(iii).

"Base Claim Amount" means the product of (a) the Claim Amount, multiplied by (b) Holdback Rate.

"Benefit Plan" has the meaning set forth in Section 9(p).

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York City are authorized or obligated by law or executive order to close.

"Charter Agreement" has the meaning set forth in the Recitals of this Agreement.

"Charterer" has the meaning set forth in the Recitals of this Agreement.

"Charterer Claim" has the meaning set forth in Section 2(a).

"Charterer Proceeding" has the meaning set forth in the Recitals of this Agreement.

"Charterer Proof of Claim" has the meaning set forth in Section 2(a).

"Claim Amount" has the meaning set forth in the Recitals of this Agreement.

"Debtors" has the meaning set forth in the Recitals of this Agreement.

"Disallowance" has the meaning set forth in Section 13(d).

"Disallowance Proceeding" has the meaning set forth in Section 13(c).

"Effective Date" means the date that the Funded Purchase Price is received by Seller.

"ERISA" has the meaning set forth in Section 9(p).

"Excluded Information" has the meaning set forth in Section 8(f).

"Final Order" mean (a) an order of the Bankruptcy Court which has not been reversed, stayed, modified or amended and as to which (i) any appeal, rehearing or other review has been finally determined in a manner that does not affect such order, or (ii) the time to appeal or seek a rehearing or other review has expired and no appeal, motion for reconsideration has been timely filed; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, as made applicable by Rule 9024 of the Federal Rules of Bankruptcy Procedure, may be filed related to such order shall not cause such order to not be a Final Order, or (b) a settlement agreement (a "Settlement Agreement") among the Debtors and the Parties stipulating to the allowance of the Rejection Claim as an allowed, valid, enforceable, non-contingent, liquidated and non-disputed general unsecured claim in a fixed allowed amount (on an unsubordinated basis relative to other similarly situated general unsecured claims) in the applicable Proceeding approved by an order of the Bankruptcy Court as described in the immediately preceding subclause (a).

"Funded Purchase Price" means the amount as set forth in Annex 1 hereto.

"Guarantee" has the meaning set forth in the Recitals of this Agreement.

"Guarantor" has the meaning set forth in the Recitals of this Agreement.

"Guarantor Claim" has the meaning set forth in Section 2(b).

"Guarantor Proceeding" has the meaning set forth in the Recitals of this Agreement.

"Guarantor Proof of Claim" has the meaning set forth in Section 2(b).

"Holdback Rate" means the Holdback Rate as set forth in Annex 1 hereto.

"Kimolos Charter Agreement" means the bareboat charter in respect of the vessel bearing hull number S-1250 and now named *Overseas Kimolos*, dated August 16, 2006, between Kimolos Tanker Corporation and Belerion Maritime Co., and all related agreements and addenda thereto.

"LIBOR" has the meaning set forth in Section 14(d).

"Maximum Refund Amount means the amount as set forth in Annex 1 hereto.

"Notice of Transfer" has the meaning set forth in Section 7(a)(iii).

"Original Charter Agreements" means collectively, (a) the Charter Agreement, (b) the Kimolos Charter Agreement, and (c) the Serifos Charter Agreement.

"Parent" has the meaning set forth in the Preamble of this Agreement.

"Party" or "Parties" has the meaning set forth in the Preamble of this Agreement.

"Petition Date" has the meaning set forth in the Recitals of this Agreement.

"Proceedings" has the meaning set forth in the Recitals of this Agreement.

"Proposed Settlement" has the meaning set forth in Section 13(d).

"Proposed Settlement Notice" has the meaning set forth in Section 13(d).

"Proofs of Claim" has the meaning set forth in Section 2(b).

"Purchase Rate" means the Purchase Rate as set forth in Annex 1 hereto.

"Purchaser" has the meaning set forth in the Preamble of this Agreement.

"Reference Banks" has the meaning set forth in Section 14(d).

"Rejection" has the meaning set forth in the Recitals of this Agreement.

"Rejection Claim" has the meaning set forth in Section 2(b).

"Rejection Order" has the meaning set forth in the Recitals of this Agreement.

"Representatives" means any affiliates, directors, officers, employees, agents, representatives and other advisors (including financial advisors, attorneys, accountants and other consultants).

"Securities Act" has the meaning set forth in Section 8(e).

"Seller" has the meaning set forth in the Preamble of this Agreement.

"Seller Defense Period" has the meaning set forth in Section 13(d).

"Serifos Charter Agreement" means the bareboat charter in respect of the vessel bearing hull number S-2035 formerly named *Overseas Serifos* and now named *Alexandros II*, dated August 16, 2006, between Serifos Tanker Corporation and Sorrel Shipmanagement, Inc., the Addendum Number 1, dated December 17, 2012 between Serifos Tanker Corporation and Sorrel Shipmanagement, Inc., and all other related agreements and addenda thereto.

"Settlement Limit" means $15,471,994.45.

"Transferred Rights" means, collectively, the Transferred Charterer Rights and the Transferred Guarantor Rights.

"Transferred Charterer Rights" means all of Seller's right, title and interest in, to and under:

(a) the Charterer Claim, including any and all right to receive principal, interest, fees, damages, penalties and other amounts in respect of the Charterer Claim (in each case whether accruing prior to, on or after the date of this Agreement), and, to the extent relating to the Charterer Claim, accounts, accounts receivable and other similar rights and interests of Seller against Charterer, including all of Seller's right, title and interest in, to and under (i) the Charterer Proof of Claim; and (ii) all rights to receive any cash, interest, penalties, fees, damages and/or other amounts received in respect of or in connection with the Charterer Claim;

(b) any actions, claims, rights, lawsuits and/or causes of action against Charterer, and/or voting rights and other rights and benefits of any nature whatsoever arising out of or in connection with the Charterer Claim;

(c) all rights in, to and under any collateral or guarantees related to the Charterer Claim;

(d) all cash, securities, instruments and other property which may be paid or distributed in satisfaction of Charterer Claim under or pursuant to any plan of reorganization or liquidation in the Charterer Proceedings, any redemption, restructuring or other liquidation or otherwise; and

(e) all proceeds of any kind of the foregoing, including, without limitation, all cash, securities or other property distributed or payable on account of, or exchanged in return for, any of the foregoing.

"Transferred Guarantor Rights" means all of Seller's right, title and interest in, to and under:

(a) the Guarantor Claim, including, any and all right to receive principal, interest, fees, damages, penalties and other amounts in respect of the Guarantor Claim (in each case whether accruing prior to, on or after the date of this Agreement), and, to the extent relating to the Guarantor Claim, accounts, accounts receivable and other similar rights and interests of Seller against Guarantor, including, all of Seller's right, title and interest in, to and under (i) the Guarantor Proof of Claim; and (ii) all rights to receive any cash, interest, penalties, fees, damages and/or other amounts received in respect of or in connection with the Guarantor Claim;

(b) any actions, claims, rights, lawsuits and/or causes of action against Guarantor, and/or voting rights and other rights and benefits of any nature whatsoever arising out of or in connection with the Guarantor Claim;

(c) all rights in, to and under any collateral or guarantees related to the Guarantor Claim;

(d) all cash, securities, instruments and other property which may be paid or distributed in satisfaction of Guarantor Claim under or pursuant to any plan of reorganization or liquidation in the Guarantor Proceedings, any redemption, restructuring or other liquidation or otherwise; and

(e) all proceeds of any kind of the foregoing, including, without limitation, all cash, securities or other property distributed or payable on account of, or exchanged in return for, any of the foregoing.

"Vessel Owner" has the meaning set forth in the Preamble of this Agreement.

2. Proofs of Claim. Seller represents and warrants to Purchaser that, as of the date hereof:

(a) a proof of claim, date-stamped May 24, 2013 and assigned claim number 481 (the "Charterer Proof of Claim"), was duly and timely filed by the Vessel Owner against Charterer in the Charterer Proceeding in the Claim Amount, a true and complete copy of which is attached to this Agreement as Exhibit B1 (such claim is hereinafter referred to as, the "Charterer Claim"); and

(b) a proof of claim, date-stamped May 24, 2013 and assigned claim number 476 (the "Guarantor Proof of Claim", together with the Charterer Proof of Claim, the "Proofs of Claim"), was duly and timely filed by the Vessel Owner against Guarantor in the Guarantor Proceeding in the Claim Amount, a true and complete copy of which is attached to this Agreement as Exhibit B2 (such claim is hereinafter referred to as the "Guarantor Claim" and, together with the Charterer Claim, collectively, the "Rejection Claim");

(c) neither Proof of Claim has been revoked, withdrawn, amended or modified and no right thereunder has been waived; and

(d) the statements in each Proof of Claim (i) are true and correct in all material respects as of the date hereof, and (ii) state all material facts necessary to make such statements not misleading in the context in which they were made.

3. Assignment of Rejection Claim.

(a) In consideration of the mutual covenants and agreements in, and subject to the terms and conditions of, this Agreement:

(i) subject to the satisfaction or waiver by Seller of the conditions in Section 7(b), Seller irrevocably sells, transfers, assigns, grants and conveys the Transferred Rights to Purchaser with effect on and after the Effective Date; and

(ii) subject to the satisfaction or waiver by Purchaser of the conditions in Section 7(a), Purchaser irrevocably acquires the Transferred Rights with effect on and after the Effective Date.

(b) Notwithstanding any other term of this Agreement, following the Effective Date, the sale and assignment of the Transferred Rights shall be deemed an absolute and unconditional assignment of the Transferred Rights for the purpose of collection and satisfaction, and not an assignment or transfer to or assumption by Purchaser of any obligation of Seller under or in connection with the Transferred Rights and/or the Rejection Order (or any document or agreement entered into in connection with the Rejection Order), any and all of which obligations are and shall remain Seller's obligations.

4. Aggregate Purchase Price. The aggregate cash consideration to be paid by Purchaser to Seller for the Transferred Rights is equal to the product of (a) the Purchase Rate, multiplied by (b) the Claim Amount (the product being the "Aggregate Purchase Price"), subject to adjustment pursuant to Section 6.

5. Funded Purchase Price. On the first Business Day following the satisfaction or waiver by Purchaser of the conditions set forth in Section 7(a), Purchaser shall pay to Seller the Funded Purchase Price by wire transfer of immediately available funds to Seller's account specified on Schedule 1 hereto.

6. Allowance of Rejection Claim.

(a) Upon Allowance of the Rejection Claim:

(i) in an amount greater than the Base Claim Amount (such allowed amount being the "Allowed Claim Amount"), Purchaser shall pay to Seller by wire transfer of immediately available funds to Seller's account specified on Schedule 1 hereto within 2 Business Days of such Allowance an amount equal to the difference between (x) the product of (A) the Purchase Rate, multiplied by (B) the Allowed Claim Amount, minus (y) the Funded Purchase Price; or

(ii) in an amount less than the Base Claim Amount, Seller shall refund to Purchaser by wire transfer of immediately available funds to Purchaser's account specified on Schedule 1 hereto within 2 Business Days of such Allowance an amount equal to the difference between (x) the Funded Purchase Price, minus (y) the product of (A) the Purchase Rate, multiplied by (B) the Allowed Claim Amount; provided, however, that in no event shall Seller be required to refund to Purchaser any amount in excess of the Maximum Refund Amount, except as otherwise set forth in this Agreement including, without limitation, in the case of a breach by Seller of its representations, warranties, covenants, agreements or indemnities set forth herein.

7. Conditions Precedent.

(a) Purchaser's obligation to pay the Funded Purchase Price to Seller and to acquire the Transferred Rights on the Effective Date shall be subject to the satisfaction or waiver by Purchaser of the following conditions:

(i) Seller's representations and warranties in this Agreement shall have been true and correct in all material respects (as of the date made);

(ii) On or before the Effective Date, Seller shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Effective Date; and

(iii) Purchaser shall have received (x) this Agreement duly executed on behalf of Seller, and (y) each Evidence of Transfer of Claim in the form attached to this Agreement as Exhibit C, duly executed on behalf of Seller, to be filed with the Bankruptcy Court together with a transfer notice ("Notice of Transfer") evidencing the transfer of the Transferred Rights to Purchaser under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") (collectively, the "Assignment Documents").

(b) Seller's obligation to sell, transfer, assign, grant, and convey the Transferred Rights to Purchaser on the Effective Date shall be subject to the satisfaction or waiver by Seller of the following conditions:

(i) Purchaser's representations and warranties in this Agreement shall have been true and correct in all material respects (as of the date made);

(ii) On or before the Effective Date, Purchaser shall have complied in all material respects with all covenants required by this Agreement to be complied with by it on or before the Effective Date; and

(iii) Seller shall have received (x) this Agreement duly executed on behalf of Purchaser, and (y) the Funded Purchase Price from Purchaser.

8. Mutual Representations of Seller and Purchaser. Seller and Purchaser hereby represent and warrant to the other Party that, as of the date hereof:

(a) it is duly organized and validly existing under the laws of its jurisdiction of organization, in good standing under such laws, and has full power and authority and has taken all action necessary to execute and deliver each Assignment Document, to perform its obligations under each Assignment Document and to consummate the transactions contemplated by each Assignment Document;

(b) the making and performance by it of each Assignment Document does not and will not violate any law or regulation of the jurisdiction under which it exists, any other law applicable to it or any other agreement to which it is a party or by which it is bound;

(c) each Assignment Document has been duly and validly authorized, executed and delivered by it and is legal, valid, binding and enforceable against it in accordance with its terms except that the enforceability may be limited by bankruptcy, insolvency or laws governing creditors' rights generally or general equitable principles;

(d) except for such filings that are expressly contemplated in this Agreement, no consent, approval, filing or corporate, partnership or other action is required as a condition to or in connection with execution, delivery and performance of this Agreement and the transactions contemplated herein;

(e) it is an "accredited investor" as such term is defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act");

(f) it acknowledges that (i) the other Party currently may have, and later may come into possession of, information relating to the Transferred Rights, Debtors, or Debtors' affiliates or the status of the Proceedings that is not known to it and that may be material to a decision to buy or sell the Transferred Rights and all related rights (as appropriate) (the "Excluded Information"), (ii) it has not requested the Excluded Information, and has agreed to proceed with the purchase or sale of the Transferred Rights and all related rights (as appropriate) hereunder without receiving the Excluded Information, and (iii) the other Party shall have no liability to it, and each Party waives and releases any claims that it might have against the other Party or the other Party's officers, directors, employees, agents and controlling persons and their respective successors, assigns, heirs and personal representatives whether under applicable securities laws or otherwise, with respect to the nondisclosure of the Excluded Information; provided, however, that each Party's Excluded Information (in its possession as of the date hereof) shall not and does not affect the truth or accuracy of such Party's representations, warranties, covenants, agreements or indemnities in this Agreement;

(g) it is aware that the Aggregate Purchase Price (as adjusted in accordance with the terms hereof) may differ both in kind and amount from any distributions ultimately made pursuant to any plan of reorganization confirmed by the Bankruptcy Court in the Proceedings; and

(h) it has adequate information concerning the business and financial condition of the Debtors, the Transferred Rights and the status of the Proceedings in order to make an informed decision regarding the purchase and sale of the Transferred Rights, and it has independently and without reliance on the other Party, and based on such information as it has deemed appropriate, made its own analysis and decision to enter into this Agreement.

9. Additional Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser that, as of the date hereof:

(a) the Charterer Claim was determined, and the Charterer Proof of Claim was prepared, based on amounts that it believes is owed to it by Charterer as a result of the Rejection;

(b) the Guarantor Claim was determined, and the Guarantor Proof of Claim was prepared, based on amounts that it believes is owed to it by Guarantor under the Guarantee as a result of the Rejection;

(c) no payment or other distribution has been received by or on behalf of it in full or partial satisfaction of the Transferred Rights;

(d) it is the sole legal and beneficial owner of and has good and marketable title to the Transferred Rights, free and clear of any and all liens, claims, security interests, participations, encumbrances or adverse claims against title of any kind or nature whatsoever (other than claims in favor of the Purchaser arising hereunder) and will transfer to Purchaser such good and marketable title in the Transferred Rights, free and clear of liens and encumbrances of any kind (other than claims in favor of the Purchaser arising hereunder);

(e) it (i) has not previously sold, conveyed, transferred, assigned, or participated, the Transferred Rights, in whole or in part, to any party (or agreed to do any of the foregoing), (ii) has not previously pledged or otherwise encumbered the Transferred Rights, in whole or in part, to any party (or agreed to do any of the foregoing) except as set forth in the documents listed Schedule 2 to this Agreement; provided, however, such pledge or encumbrances have been since released and (iii) is the original holder of the Transferred Rights;

(f) it has provided to Purchaser true, correct and complete copies of all material documents evidencing the Transferred Rights, in each case, as amended through the date hereof, and all material notices, documents and agreements relating thereto, and a true, correct and complete list describing such documents is attached as Schedule 3 to this Agreement and other than such documents, there are no other agreements or documents which create, evidence or affect in any material way, (i) the Transferred Rights, (ii) any action taken or to be taken by it under this Agreement or (iii) the rights of Purchaser created or purported to be created hereby;

(g) other than the Proceedings, no other proceedings are pending or to its knowledge, threatened against it, in each case, before any relevant, federal, state or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic (and including arbitral bodies whether governmental, private or otherwise) that, in the aggregate, will adversely affect, (i) the Transferred Rights, (ii) any action taken or to be taken by it under this Agreement or (iii) the rights of Purchaser created or purported to be created hereby;

(h) it has not received notice of any pending avoidance actions under Chapter 5 of the Bankruptcy Code or any other actions, claims, rights, lawsuits, and other causes of action against it or the Transferred Rights in the Proceedings, and, to its knowledge, no legal or equitable defenses, counterclaims, offsets, reductions, recoupments, impairments, avoidances, disallowances or subordinations have been asserted against it in the Proceedings or otherwise by or on behalf of any Debtor or any other party to reduce the amount of the Transferred Rights, delay or reduce distributions or impair the value of the Transferred Rights or related distributions, or otherwise affect the validity or enforceability of the Transferred Rights;

(i) it has not received notice of any objection to the Transferred Rights having been filed in the Proceedings, and it has not received any notice that the Transferred Rights are void or voidable or subject to any disallowance, reduction, impairment or objection of any kind;

(j) it has not engaged (and shall not engage) in any acts, conduct or omissions, and it has not had (and shall not have) any relationship with any Debtor or its affiliates that will result in Purchaser receiving in respect of the Transferred Rights proportionately less in payments or distributions or less favorable treatment than other otherwise similarly situated creditors of such Debtor;

(k) other than amounts paid to it under the Original Charter Agreement in the ordinary course, it does not, and did not on the date of the commencement of the Proceedings, hold any funds or property of a Debtor, and has not effected or received, and shall not effect or receive, the benefit of any setoff against either Debtor;

(l) it did not receive any payments, security interests or other transfers from a Debtor during the 91 days prior to the Petition Date for such Debtor except payments made (i) either (x) in the ordinary course of business or financial affairs of Seller and such Debtor or (y) on ordinary business terms, and (ii) in respect of indebtedness incurred in the ordinary course of business or financial affairs of Seller and such Debtor;

(m) it is not an "affiliate" or "insider" of any of the Debtors within the meaning of sections 101 (2) and 101(31) of the Bankruptcy Code, respectively, and is not, and has not been, a member of any official or unofficial creditors' committee appointed in the Proceedings;

(n) it is not, and never has been, "insolvent" within the meaning of section 1 201(23) of the Uniform Commercial Code or within the meaning of section 101(32) of the Bankruptcy Code;

(o) no broker, finder, agent or other entity under the authority of Seller is entitled to any commission or other fee in connection with the transactions contemplated hereby for which Purchaser could be responsible;

(p) no interest in the Transferred Rights is being sold by or on behalf of one or more Benefit Plans. "Benefit Plan" means an "employee benefit plan" (as defined in ERISA) that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated under it ("ERISA"), a "plan" as defined in section 4975 of the Code or any entity whose assets include (for purposes of ERISA section 3(42) or otherwise for purposes of Title I of ERISA or section 4975 of the Code) the assets of any such "employee benefit plan" or "plan;" and

(q) (i) its sale of the Transferred Rights to Purchaser is irrevocable by Seller and (ii) Seller shall have no recourse to Purchaser, except for (w) amounts payable to Purchaser under Section 6(a)(i) hereof, (x) Purchaser's breaches of its representations, warranties, agreements or covenants, (y) Purchaser's indemnities, in each case as expressly stated in this Agreement and (z) as otherwise set forth herein.

10. Additional Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller that, as of the date hereof:

(a) no proceedings are pending against it or to its knowledge, threatened against it, in each case before any relevant, federal, state or other governmental department, agency, institution, authority, regulatory body, court or tribunal, foreign or domestic (and including arbitral bodies whether governmental, private or otherwise) that, in the aggregate, will adversely affect any action taken or to be taken by it under this Agreement;

(b) without characterizing the Transferred Rights as a "security" within the meaning of applicable security laws, it is not purchasing the Transferred Rights with a view towards the sale or distribution thereof in violation of the Securities Act; provided, however, that Purchaser may resell the Transferred Rights if such resale is otherwise in compliance with Section 14(b) hereof;

(c) it: (i) is a sophisticated entity with respect to the purchase of the Transferred Rights; (ii) is able to bear the economic risk associated with the purchase of the Transferred Rights; (iii) has adequate information concerning the business and financial condition of each of the Debtors in respect of the Transferred Rights and the status of the Proceedings to make an informed decision regarding the purchase of the Transferred Rights; (iv) has such knowledge and experience, and has made investments of a similar nature, so as to be aware of the risks and uncertainties inherent in the purchase of rights and assumption of liabilities of the type contemplated in this Agreement; and (v) has independently and without reliance upon Seller, and based on such information as Purchaser has deemed appropriate, made its own analysis and decision to enter into this Agreement, except that Purchaser has relied upon Seller's express representations, warranties, covenants and indemnities in this Agreement. Purchaser acknowledges that Seller has not given it any investment advice, credit information, or opinion on whether the purchase of the Transferred Rights is prudent;

(d) except as otherwise provided in this Agreement, it has not relied and will not rely on Seller to furnish or make available any documents or other information regarding the credits, affairs, financial condition, or business of any Debtor, or any other matter concerning any Debtor;

(e) no broker, finder, agent or other entity under the authority of Purchaser is entitled to any commission or other fee in connection with the transactions contemplated hereby for which Seller could be responsible;

(f) no interest in the Transferred Rights is being sold by or on behalf of one or more Benefit Plans; and

(g) other than expressly provided in this Agreement, it is acquiring the Transferred Rights on an "as is" and "where is" basis.

11. Covenant of Seller. Seller shall use reasonable efforts to cooperate in filing any amendments or modifications to the Proofs of Claim as Purchaser may reasonably determine,

provided that (x) such amendments and modifications are consistent with the terms of this Agreement, in all respects, (y) such amendments and modifications are reasonably necessary or appropriate to give effect to this Agreement, and (z) Seller shall have no liability for complying with the Purchaser's request.

12. Indemnification.

(a) Seller agrees to indemnify, defend and hold Purchaser and Purchaser's respective officers, directors, employees, agents and controlling persons harmless from and against any and all expenses, losses, claims, damages and liabilities, including reasonable and documented attorneys' fees and expenses resulting from (i) a breach by Seller of any of its representations, warranties, agreements or covenants set forth in this Agreement and (ii) any obligation of Seller or Purchaser to repay, in whole or in part, or otherwise reimburse the Debtors or any other entity for any payments or property actually received, applied or effected by or for the account of Seller under or in connection with the Transferred Rights or otherwise from, against or on account of the Debtors, except to the extent any such amounts have been distributed by Seller to Purchaser; provided, however, in no event shall Seller have any liability whatsoever for any special, punitive, indirect or consequential damages.

(b) Purchaser agrees to indemnify, defend and hold Seller and its officers, directors, employees, agents and controlling persons harmless from and against any and all expenses, losses, claims, damages and liabilities, including reasonable documented attorneys' fees and expenses resulting from a breach by Purchaser of any of its representations, warranties, agreements or covenants of Purchaser set forth in this Agreement; provided, however, in no event shall Purchaser have any liability whatsoever for any special, punitive, indirect or consequential damages.

(c) Except as expressly provided in this Agreement, the indemnification provisions set forth in this Section 12 shall be the sole and exclusive remedy for each Party with respect to any breach of any representations, warranties, agreements or covenants set forth in this Agreement.

13. Attorney-In-Fact; Settlement of Rejection Claim; Further Actions.

(a) Following the Effective Date and except as set forth herein, Seller irrevocably appoints Purchaser as its true and lawful attorney-in-fact and authorizes Purchaser to act in Seller's name, place and stead, solely for the purpose of demanding, suing for, compromising, settling and recovering all amounts as now are, or may hereafter become, due and payable for or on account of the Transferred Rights, including doing all things necessary to enforce the Rejection Claim or any portion thereof and Seller's rights thereunder or related thereto, including entry into a Proposed Settlement. Purchaser shall at all times act in good faith in order to attempt to maximize Allowance of the Rejection Claim, and to attempt to obtain Allowance of the Rejection Claim as soon as reasonably practicable.

(b) At Purchaser's reasonable request (which may be made from time to time), Seller agrees to take such commercially reasonable actions consistent with the terms of this

Agreement (at Purchaser's sole cost and expense) to assist the Purchaser in obtaining Allowance of the Rejection Claim, including without limitation, providing documents, evidence, witnesses, testimony and any other information Purchaser believes is reasonably necessary to maximize Allowance of the Rejection Claim, and to attempt to obtain Allowance of the Rejection Claim as soon as reasonably practicable. For the avoidance of doubt, Seller (or its Representative) shall not be obligated to take any action which Seller determines in good faith is not (x) permitted under applicable law, rule, regulation, or order or (y) consistent with the terms of this Agreement

(c) Purchaser acknowledges and agrees that Seller shall not be liable for any omissions or actions taken by Seller (or its Representatives) at Purchaser's request pursuant to this Section 13; provided that this Section 13(c) shall not in any way modify Seller's obligations in connection with any Disallowance and/or Settlement Impairment as further set forth in Section 6(a)(ii) and 13(f) respectively.

(d) Notwithstanding any provision in this Section 13 to the contrary, in the event that either Purchaser or Seller receives written notice that a third party (including any Debtor) has commenced any proceeding or arbitration, including a proceeding initiated by the filing of a motion, objection, demand letter, pleading, or other proceeding, which, if successful, would result in a Disallowance (a "Disallowance Proceeding"), then the receiving party shall promptly notify the other party of such Disallowance Proceeding. Purchaser shall prosecute and/or defend the Rejection Claim in the Disallowance Proceeding in consultation with Seller. If Purchaser elects not to prosecute and/or defend the Rejection Claim in the Disallowance Proceeding, it will promptly notify Seller in writing of its election and Seller may take such further action (at Seller's expense) as Seller may determine is necessary or desirable to uphold and defend the Rejection Claim, as further provided for herein. Notwithstanding the foregoing, Seller shall not compromise or settle the Rejection Claim without Purchaser's prior written consent (which consent shall not be unreasonably withheld or delayed) if such settlement would result in an Allowed Claim Amount that is less than the Settlement Limit.

(e) If Purchaser elects to compromise or settle the Rejection Claim through a Settlement Agreement or otherwise (a "Proposed Settlement"), Purchaser shall promptly notify Seller of such Proposed Settlement ("Proposed Settlement Notice") and obtain Seller's prior written consent (which consent shall not be unreasonably withheld or delayed) to any Proposed Settlement that results in an Allowed Claim Amount less than or equal to the Settlement Limit; provided, however that Purchaser shall not be obligated to notify, or obtain written consent of, Seller if the Proposed Settlement results in an Allowed Claim Amount greater than the Settlement Limit. Solely to the extent that the Proposed Settlement results in an Allowed Claim Amount less than or equal to the Settlement Limit, Seller shall, at Seller's option and expense, subject to any timing established by the Bankruptcy Court, have thirty (30) days (the "Seller Defense Period") from its receipt of such Proposed Settlement Notice to negotiate a more favorable settlement of the Rejection Claim with the Debtors or any third party, as the case may be; provided, however, that Seller shall be liable to Purchaser for any reduction or impairment (a "Settlement Impairment") of the Allowed Claim Amount of such Proposed Settlement as a result of Seller's negotiation for a more favorable settlement during the Seller Defense Period. If Seller elects to negotiate with the Debtors during the Seller Defense Period and is unable to negotiate a

superior settlement proposal prior to the expiration of the Seller Defense Period, Purchaser shall have the right to agree to the Proposed Settlement without notice to, or consultation with, Seller. For the avoidance of doubt and except as set forth herein, the Parties acknowledge and agree that any consent given by either Party under this paragraph or any actions taken under this Agreement or any election permitted by this Agreement by either Party not to take action shall not affect or limit in any way such Party's rights, indemnities and remedies under this Agreement or otherwise. For the purposes of this Agreement, the Rejection Claim shall be subject to a "Disallowance" if (i) all or any part of the Rejection Claim is avoided, disallowed, subordinated, reduced, setoff, objected, enjoined to or otherwise impaired, in whole or in part, for any reason whatsoever in that Proceeding, (ii) distributions on such claim are less in pro rata amount or different in nature or timing than distributions on claims of other otherwise similarly situated creditors in the applicable Proceeding and of the same class or type generally, or (iii) such claim is not an allowed, valid, enforceable, non-contingent, liquidated, unsubordinated and non-disputed unsecured claim in the Proceedings, in each case, such that the Allowed Claim Amount is reduced to an amount that is less than the Base Claim Amount.

(f) In the event of a Settlement Impairment, Seller agrees to immediately repay, on demand of Purchaser (which demand shall be made at Purchaser's sole option), an amount equal to the product of (a) the difference between (i) the Allowed Claim Amount of such Proposed Settlement and (ii) the final Allowed Claim Amount multiplied by (b) the Purchase Rate, plus interest thereon at LIBOR plus 4% per annum from the date hereof to the date of repayment, provided, however, that such a demand by Purchaser shall not be deemed an election of remedies or any limitation on any other rights that Purchaser may have hereunder. For the avoidance of doubt, any amounts due and payable by Seller to Purchaser under this Section 13(e) shall not be duplicative of any amounts otherwise refundable by Seller to Purchaser under Section 6(a)(ii) of this Agreement.

(g) The Parties agree, at all times, to keep the other Party promptly apprised of any discussions or proposals with the Debtors (or any other person) with respect to the settlement, compromise, resolution, prosecution or litigation of the Transferred Rights. Seller agrees to use commercially reasonable efforts to forward to Purchaser any correspondence or notices received from the Debtors, the Bankruptcy Court or any third party with respect to the Transferred Rights.

(h) Seller further agrees that if Seller receives any distributions on account of the Transferred Rights, whether in the form of cash, securities, instruments or any other property, the aforementioned shall constitute property of Purchaser to which Purchaser has an absolute right; provided, however, that if any amounts are due and payable hereunder from Purchaser to Seller, Seller may setoff any cash distribution that it receives against such amounts. Except as set forth in the immediately preceding sentence, Seller shall hold such property in trust and will deliver to Purchaser any such property in the same form received, together with any endorsements or documents necessary to transfer such property to Purchaser within three (3) Business Days of receipt in the case of cash and as soon as practicable in the case of securities. Should all or any portion of the distributions on account of the Transferred Rights not be assignable by Seller to Purchaser under applicable law, then Seller grants to Purchaser a participation interest in the Transferred Rights or such distributions, in accordance with applicable law and the terms of this Agreement.

14. Miscellaneous.

(a) Further Assurances. Seller agrees to execute and deliver, or cause to be executed and delivered, all such instruments and documents (including, without limitation, any supporting documents evidencing the Transferred Rights), and to take all such action as Purchaser may reasonably request, reasonably promptly upon the request of Purchaser, (in all cases, at Seller's reasonable cost and expense) in order to effectuate the intent and purpose of, and to carry out the terms of, this Agreement, to enforce and vote the Claim and the Transferred Rights, and to cause Purchaser to become the legal and beneficial owner and holder of the Transferred Rights in accordance with the terms hereof. For the avoidance of doubt, Seller shall not be responsible for Purchaser's attorneys fees arising in connection with this Section 14(a).

(b) Further Transfers. Seller acknowledges that Purchaser may at any time sell, transfer, assign or participate the Transferred Rights, together with all of its rights, title and interest of Purchaser in and to this Agreement, in whole or in part, without the consent of Seller; provided, however, that (i) such sale, transfer, assignment or participation shall not violate any applicable laws, rules or regulations, including, any applicable securities laws, rules or regulations and (ii) notwithstanding any such sale, transfer, assignment or participation, unless Seller otherwise consents in writing, Purchaser's obligations to Seller under this Agreement shall remain in full force and effect until fully paid, performed and satisfied. Purchaser shall be liable for any and all breaches of this Agreement that are not performed and satisfied by any permitted assignee. Purchaser shall use commercially reasonable efforts to notify Seller of any assignment of the Transferred Rights. Seller may not transfer any of its right or obligations hereunder without the express written consent of Purchaser; provided that no consent shall be necessary in connection with the grant or execution of any security interest in Seller's rights in and to this Agreement created for financing purposes generally; provided, however, Seller shall use commercially reasonable efforts to notify Purchaser of any such security interest.

(c) Survival. All representations, warranties, covenants and agreements contained herein shall survive the Effective Date and the execution, delivery and performance of this Agreement and any sale, assignment, participation or transfer by Purchaser of any or all of the Transferred Rights, and shall inure to the benefit and be binding upon Seller, Purchaser and their respective successors and permitted assigns; provided, however, that the obligations of Seller and Purchaser contained herein shall continue and remain in full force and effect until fully paid, performed and satisfied.

(d) Interest. If either Party fails to make a payment or distribution to the other Party within the time period specified in this Agreement, the Party failing to make full payment of any amount when due shall, upon demand by the other Party, pay such amount due together with interest on it for each day from (and including) the date when due to (but excluding) the date when actually paid at a rate per annum equal to LIBOR plus 4%. "LIBOR" means the offered rates by Reference Banks (as such term is defined herein) for deposits in U.S. Dollars for a

period of one week which appear on the Reuters Screen LIBO Page as of 11:00 a.m., London time, on the day on which it is to be determined. The rate shall be the arithmetic mean of quotations provided by Citibank, JPMorgan Chase Bank, Bank of America and Deutsche Bank (the "Reference Banks"); provided, however, that if all four quotations are not available but at least two quotations appear on the Reuters Screen LIBO Page, the rate shall be the arithmetic mean of such quotations. If fewer than two quotations appear, the rate shall be determined by Seller in good faith.

(e) No Set-Off. Except as set forth in Section 13(g) hereof, each payment to be made by either Party hereunder shall be made without set-off, recoupment, counterclaim or deduction of any kind.

(f) Governing Law; Jurisdiction; Service of Process. The laws of the State of New York shall govern this Agreement, without regard to any conflict of laws provisions thereof. Each Party submits to the jurisdiction of the federal or state courts located in the County of New York, State of New York and agrees that any litigation relating to this Agreement shall be brought only in such courts. Each Party consents to service of process by certified mail at its address listed in Schedule 1 hereto.

(g) Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but all of which, together, constitute one and the same instrument. Transmission by facsimile or electronic mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

(h) WAIVER OF JURY TRIAL. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT THEY MAY HAVE TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION, OR IN ANY LEGAL PROCEEDING, DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(i) 3001(e) Transfer. Seller hereby acknowledges and consents to all terms set forth in this Agreement and hereby waives its right to raise any objection thereto and its right to receive notice pursuant to Bankruptcy Rule 3001(e), and consents to the substitution of Seller by Purchaser for all purposes in the case, including, for voting and distribution purposes with respect to the Transferred Rights. Purchaser agrees to file a Notice of Transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) not later than two days after the Effective Date.

(j) Notices. All demands, notices, consents, and communications hereunder shall be in writing and shall be deemed to have been duly given when sent by electronic mail or hand-delivered to the addresses set forth on Schedule 1 hereto, or such other address as may be furnished hereafter by notice in writing. All payments by Seller to Purchaser and Purchaser to Seller under this Agreement shall be made in the lawful currency of the United States by wire transfer of immediately available funds to Seller or Purchaser, as applicable, in accordance with the wire instructions specified in Schedule 1 hereto.

(k) Integration. This Agreement together with any schedules and exhibits hereto, constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings or representations pertaining to the subject matter hereof, whether oral or written. There are no warranties, representations or other agreements between the Parties in connection with the subject matter hereof except as specifically and expressly set forth herein.

(l) Captions and Headings. The captions and headings in this Agreement are for convenience only and are not intended to be full or accurate descriptions of the contents thereof. Such captions and headings shall not be deemed to be part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof.

(m) Severability. If any provision of this Agreement or any other agreement or document delivered in connection with this Agreement, if any, is partially or completely invalid or unenforceable in any jurisdiction, then that provision shall be ineffective in that jurisdiction to the extent of its invalidity or unenforceability, but the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted, nor shall the invalidity or unenforceability of that provision in one jurisdiction affect its validity or enforceability in any other jurisdiction.

(n) Confidentiality. Each Party agrees that except (i) as to implement or enforce the terms of this Agreement, (ii) as required by law or regulation, (iii) as may be compelled by legal process, by an order, judgment or decree of a court of other governmental authority of competent jurisdiction or (iv) disclosures to its own employees, professionals or representatives, it shall not disclose to any person the existence of, or terms and conditions of, this Agreement or any document executed or delivered in connection herewith, except that Purchaser may disclose this Agreement (but not the Aggregate Purchase Price) to any prospective purchaser or transferee of all or any portion of the Transferred Rights; provided, that such prospective purchaser or transferee shall be advised of, and agree to be bound by, either the provisions of this Section 14(n) or other provisions at least as restrictive as this Section 14(n).

(o) Amendments; Waivers.

(i) No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Parties and no waiver of any provision of this Agreement, nor consent to any departure by either Party from it, shall be effective unless it is in writing and signed by the affected Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(ii) No failure on the part of either Party to exercise, and no delay in exercising, any right hereunder or under any related document shall operate as a waiver thereof by such Party, nor shall any single or partial exercise of any right hereunder or under any other related document preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of each Party provided herein and in other related documents (x) are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law and (y) are not conditional or contingent on any attempt by such Party to exercise any of its rights under any other related documents against the other Party or any other entity.

(p) Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, or permitted assigns.

(q) Parent Guarantee. Parent agrees to guarantee all obligations and liabilities of the Seller, including without limitation, (i) a breach by Seller of its representations, warranties, covenants, agreements or indemnities set forth herein; and (ii) any payment obligation of Seller pursuant to Sections 6(a)(ii) or Section 13 herein.

[Remainder of page intentionally left blank; signatures follow on next page]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first stated above.

CAPITAL PRODUCT PARTNERS L.P.

By: /s/ I. Lazaridis
Name: I. Lazaridis
Title: CEO & CFO

WIND DANCER SHIPPING INC.

By: /s/ Evangelos Bairactaris
Name: Evangelos Bairactaris
Title: Sole Director

DEUTSCHE BANK SECURITIES INC.

By: /s/ Shawn Faurot
Name: Shawn Faurot
Title: Managing Director

By: /s/ Joanne Adkins
Name: Joanne Adkins
Title: Managing Director

EXHIBIT A1

CHARTER AGREEMENT

EXHIBIT A2

GUARANTEE

EXHIBIT B1

CHARTERER PROOF OF CLAIM

EXHIBIT B2

GUARANTOR PROOF OF CLAIM

EXHIBIT C

EVIDENCE OF TRANSFER OF CLAIM

SCHEDULE 1

WIRE INSTRUCTIONS

NOTICE ADDRESSES

SCHEDULE 2

Capitalized terms used but not defined herein shall have the meanings given them in the Agreement. The following are exceptions to the representations and warranties of Seller set forth in Section 9(e):

- Loan Agreement, dated as of March 19, 2008 (as amended from time to time), by and between (i) the Parent, as borrower, (ii) the banks and financial institutions listed in Schedule 1 thereto, as lenders, (iii) HSH Nordbank AG, as swap bank, bookrunner, mandated lead arranger, facility agent and security trustee, and (iv) DNB Bank ASA, as co-arranger.
- Charterparty Assignment, dated as of June 17, 2008, in respect of the Charter, by and between the Vessel Owner and the Security Trustee (as defined therein).
- Bareboat Charter Security Agreement, dated as of June 17, 2008, by and between the Vessel Owner, Charterer and HSH Nordbank AG as facility agent and security trustee.
- Deed of Release and Reassignment, dated as of May 31, 2013, by and between HSH Nordbank AG, the Parent, the Vessel Owner, Belerion Maritime Co., Epicurus Shipping Company, Baymont Enterprises Incorporated, Aias Carrier Corp., Miltiadis M II Carrier Corp., Agamemnon Container Carrier Corp., Archimidis Container Carrier Corp., Hercules Container Carrier Corp., and Iason Container Carrier Corp.

SCHEDULE 3

This Schedule 3 is being delivered pursuant to Section 9(e). Capitalized terms used but not defined herein shall have the meanings given them in the Agreement. The following is a true and complete list of all notices, documents and agreements (excluding internal work papers and preliminary calculations), each as amended through the date hereof, that Seller has delivered to Purchaser related to the calculation of the Claim Amount:

- Bareboat charter in respect of the vessel bearing hull number S-1243 and now named the *Overseas Sifnos*, dated August 16, 2006, between Sifnos Tanker Corporation and Wind Dancer Shipping Inc.
- Guarantee dated December 18, 2006 by Overseas Shipholding Group, Inc. of the obligations of Sifnos Tanker Corporation under the bareboat charter in respect of the vessel bearing hull number S-1243 and now named the *Overseas Sifnos*, dated August 16, 2006, between Sifnos Tanker Corporation and Wind Dancer Shipping Inc.
- Bareboat charter in respect of the vessel bearing hull number S-1243 and now named the *Overseas Sifnos*, dated March 1, 2013, between Sifnos Tanker Corporation and Wind Dancer Shipping Inc.
- Guarantee dated March 1, 2013 by Overseas Shipholding Group, Inc. of the obligations of Sifnos Tanker Corporation under the bareboat charter in respect of the vessel bearing hull number S-1243 and now named the *Overseas Sifnos*, dated March 1, 2013, between Sifnos Tanker Corporation and Wind Dancer Shipping Inc.
- Operating reports, balances and invoices for various voyages of sister vessel, *Alexandros II* and costs related to the first special survey of sister vessel, *Alexandros II*.

ANNEX 1

"Funded Purchase Price" means $10,255,905.17.

"Holdback Rate" means 0.8159.

"Purchase Rate" means 0.7250.

"Maximum Refund Amount" means $2,884,473.33.

Exhibit 4.92

Deutsche Bank Securities Inc.
60 Wall Street, 3rd Floor
New York, New York 10005

December 18, 2013

BY FAX

G.E. Bairactaris & Partners
130 Kolokotroni Street
Piraeus 185-36, GREECE
Attn: Evangelos Bairactaris
Fax: +332104284626/627

BY FAX & EMAIL

Sullivan & Cromwell LLP
125 Broad Street, New York, NY 10004-2498
Attn: Michael H. Torkin & Alexa J. Kranzley
Fax: (212) 558-3588
Email: Torkinm@sullcrom.com; Kranzleya@sullcrom.com

Re: Settlement Notice and Refund Modification

Reference is made to (i) the Assignment of Claim Agreement (the "Wind Dancer Agreement") dated as of June 24, 2013 among Capital Product Partners L.P. ("CPLP"), Wind Dancer Shipping Inc. ("Wind Dancer"), and Deutsche Bank Securities Inc. ("DB"); (ii) the Assignment of Claim Agreement (the "Sorrel Shipmanagement Agreement") dated as of June 24, 2013 among CPLP, Sorrel Shipmanagement Inc. ("Sorrel"), and DB; and (iii) the Assignment of Claim Agreement (the "Belerion Maritime Agreement"; together with the Wind Dancer Agreement and the Sorrel Shipmanagement Agreement, and together with all documents annexed to each such agreements, are collectively referred to as the "Agreements") dated as of June 24, 2013 among CPLP, Belerion Maritime Co. ("Belerion"; together with Wind Dancer and Sorrel, collectively the "Sellers"), and DB. Capitalized terms used but not defined herein shall have the meanings ascribed to those terms in the Agreements.

Each of the undersigned parties agrees as follows:

1) Pursuant to Section 13(e) of each of the Agreements, the Sellers and CPLP hereby consent to DB settling the three Rejection Claims for an aggregate amount that is less than the aggregate Settlement Limit (for the avoidance of doubt, the aggregate Settlement Limit is $48,275,000.00);

2) Notwithstanding section 6(a)(ii) of each Agreement, upon Allowance of the three Rejection Claims in an aggregate amount that is less than $43,250,000.00, the maximum aggregate amount that shall be refunded and due and owing to DB in connection with the Agreements is $643,750.00; and

3) If DB is entitled to a refund under the Agreements (as revised by paragraph 2 above), Sellers or CPLP on the Sellers' behalf, shall pay such amount to DB not later than the second (2nd) Business Day following Allowance of the three Rejection Claims.

DB hereby represents to each Seller and CPLP that it has (a) not assigned, hypothecated, sold, conveyed, pledged or otherwise transferred to anyone any interest in any of the Agreements or any Transferred Rights or any proceeds therefrom, and (b) the full power and authority to execute and deliver this agreement. CPLP and each Seller each represent to DB that each of them has the full power and authority to execute and deliver this agreement.

—signature page to follow—

Sincerely,

Deutsche Bank Securities Inc.

By: /s/ Shawn Faurot
Name: Shawn Faurot
Title: Managing Director

By: /s/ Joanne Adkins
Name: Joanne Adkins
Title: Managing Director

AGREED TO:

Capital Product Partners L.P.

By: /s/ Evangelos Bairactaris
Name: Evangelos Bairactaris
Title: Secretary of CAPITAL GP L.L.C., the general Partner of Capital Product Partners L.P.

/s/ Ioannis Lazaridis
IOANNIS LAZARIDIS
CEO & CFO
Capital Product Partners LP

Wind Dancer Shipping Inc.

By: /s/ Evangelos Bairactaris
Name: Evangelos Bairactaris
Title: Sole Director

Sorrel Shipmanagement Inc.

By: /s/ Evangelos Bairactaris
Name: Evangelos Bairactaris
Title: Sole Director

Belerion Maritime Co.

By: /s/ Evangelos Bairactaris
Name: Evangelos Bairactaris
Title: Sole Director

Exhibit 8.1

LIST OF SIGNIFICANT SUBSIDIARIES

The following is a list of Capital Product Partners L.P.'s significant subsidiaries as at December 31, 2013:

Name of Subsidiary	Jurisdiction of Incorporation	Proportion of Ownership Interest
Capital Product Operating L.L.C.	Republic of The Marshall Islands	100%
Crude Carriers Corp.	Republic of The Marshall Islands	100%

Exhibit 12.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Ioannis E. Lazaridis, certify that:

1. I have reviewed this annual report on Form 20-F of Capital Product Partners L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Dated: February 18, 2014

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer

Exhibit 12.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Ioannis E. Lazaridis, certify that:

1. I have reviewed this annual report on Form 20-F of Capital Product Partners L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Dated: February 18, 2014

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Financial Officer

Exhibit 13.1

Certification Pursuant to
18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report on Form 20-F of Capital Product Partners L.P., a master limited partnership organized under the laws of the Republic of The Marshall Islands (the "Company"), for the period ending December 31, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 18, 2014

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Executive Officer

Exhibit 13.2

Certification Pursuant to
18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report on Form 20-F of Capital Product Partners L.P., a master limited partnership organized under the laws of the Republic of The Marshall Islands (the "Company"), for the period ending December 31, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 18, 2014

By: /s/ Ioannis E. Lazaridis
Name: Ioannis E. Lazaridis
Title: Chief Financial Officer

Exhibit 15.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-184209 on Form F-3 of our reports dated February 18, 2014, relating to the consolidated financial statements of Capital Product Partners L.P. (the "Partnership"), and the effectiveness of the Partnership's internal control over financial reporting, appearing in this Annual Report on Form 20-F of the Partnership for the year ended December 31, 2013, and to the reference to us under the heading "Experts" in the Prospectus, which is part of such Registration Statement.

/s/ Deloitte Hadjipavlou, Sofianos & Cambanis S.A.
Athens, Greece
February 18, 2014

Exhibit 15.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Amendment No. 2 to Registration Statement No. 333-177491 on Form F-3 of our reports dated February 18, 2014, relating to the consolidated financial statements of Capital Product Partners L.P. (the "Partnership"), and the effectiveness of the Partnership's internal control over financial reporting, appearing in this Annual Report on Form 20-F of the Partnership for the year ended December 31, 2013, and to the reference to us under the heading "Experts" in the Prospectus, which is part of such Registration Statement.

/s/ Deloitte Hadjipavlou, Sofianos & Cambanis S.A.
Athens, Greece
February 18, 2014