

Settlement agreement C3 Rubicon

From: info@sorcinelli.com (info@sorcinelli.com)

To: damir.vrca@yahoo.com

Date: Friday, May 15, 2026 at 05:36 PM GMT+2

Dear Mr. Damir Vrca,

With regard to the subject matter and in view of the hearing scheduled for May 19, 2026, in my capacity as the attorney appointed to provide legal assistance in Italy, I feel it is my duty to submit to you certain considerations that will be useful for the creditors' meeting to properly evaluate the settlement agreement reached with the Italian creditors.

As you are aware, the settlement agreement represents the culmination of a long and complex negotiation process conducted, on the one hand, with industry operators interested in purchasing the vessel and its cargo, and, on the other hand, with the creditors who had initiated precautionary and enforcement proceedings in Italy.

During this process, the well-known events of October 2025 occurred, which jeopardized the preservation of the ship. Having been anchored for several years in the port of Cagliari, the ship was at serious risk of sinking due to prolonged mooring and erosion caused by natural elements. On that occasion, in order to prevent the ship from sinking in the port—which would have caused significant environmental damage, with possible criminal as well as civil liability consequences—the Port Authority of Cagliari intervened, advancing the substantial costs required for the emergency salvage operation to the bankruptcy proceedings.

In the meantime, I have stepped up negotiations and, upon receiving a serious purchase offer from a Sicilian shipping operator, have successfully concluded negotiations with the creditors who had initiated enforcement proceedings in Italy.

I therefore represent to the Trustee and the creditors' meeting that the proposed solution currently constitutes the only concrete means suitable for enabling the sale of the vessel "C3 Rubicon" and, above all, for preventing its inevitable further deterioration within the port of Cagliari.

Precisely for this reason, it is essential that the creditors' meeting be fully informed that any rejection of the proposed settlement would risk irreversibly compromising the entire sale transaction, with potentially very serious consequences for the bankruptcy proceedings and the creditors themselves.

It is clear that the creditors' committee's failure to approve the proposal would risk the withdrawal of the only purchase offer received to date, thereby exposing the ship to a further period of neglect and inevitable deterioration, to the point of posing a real risk of compromising the vessel's buoyancy and even causing it to sink within the port channel of Cagliari.

Such an eventuality would entail enormous and, at that point, unavoidable costs for the bankruptcy proceedings, related to the activities of securing, salvaging, and removing the wreck, as well as to possible environmental damage resulting from any spills or contamination, in addition to the extremely serious disruption caused to port operations and navigation.

These costs are estimated at several million euros and would fall entirely on the bankruptcy proceedings, with the real possibility of absorbing—if not exceeding—the total bankruptcy estate, thereby nullifying any prospect of satisfying the creditors.

It is precisely because they are aware of these risks that the Italian creditors have already agreed to significant waivers of their respective claims, thereby making it possible to establish a settlement structure that is practically sustainable and designed to safeguard the interests of the proceedings as a whole.

In this context, it is particularly noteworthy that the proposal now submitted for approval by the creditors' meeting expressly provides for the allocation of the sum of €30,000.00 to the Croatian creditors, an amount made possible precisely thanks to the negotiation efforts and the waivers already accepted by the Italian creditors.

In light of the above, I hope that the creditors' meeting will evaluate not only the immediate economic benefits of the agreement, but also the concrete need to avoid scenarios that could cause far more serious, irreversible, and potentially devastating harm to the insolvency proceedings.

I remain available for any further clarification or useful discussion.

Best regards,

Roberto Sorcinelli

Sorcinelli & Associati

FAIRWISE
Fair View | Wise Action

Italy | UK | UAE

www.fairwise.law

Avviso di Riservatezza:

Chi riceve il presente messaggio è tenuto a verificare se non gli sia pervenuto per errore. In tale ultimo caso è pregato di avvisare immediatamente il mittente. Tenuto conto delle responsabilità connesse all'indebito utilizzo o divulgazione del messaggio o delle informazioni ivi contenute, voglia altresì cancellare l'originale e distruggere eventuali copie o stampe.

Confidentiality Notice:

The receiver of this message is required to check if he/she has received it erroneously. If so, the receiver is requested to immediately inform the sender and - in consideration of the responsibilities arising from undue use or disclosure of the message or the information contained therein - destroy the original message and any copy or printout thereof.

Prima di stampare questo messaggio o gli allegati, assicurati che sia necessario. Proteggere l'ambiente dipende da noi.

Before printing this e-mail or attachments, be sure it is necessary. It is in our hands to protect the environment.