

## ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS AGREEMENT is made and entered into by and among M/V "WELLWOOD", Wellwood Shipping Co., Ltd., Hanseatic Shipping Co., Ltd. and Christopher Vickers (hereinafter "Assignors"); Merrill Lynch Settlement Services, Inc. (hereinafter "Assignee"); and the United States of America.

### RECITALS

A. The United States of America, including all of its agencies and parts, has filed certain actions or claims with respect to the M/V "WELLWOOD", Wellwood Shipping Co., Ltd., Hanseatic Shipping Co., Ltd. and Christopher Vickers.

B. By letter agreement dated December 12, 1986, the United States of America and the Assignors have entered into a compromise settlement of any and all claims the United States of America has or may have against the Assignors arising from the grounding of the M/V "WELLWOOD" whereby the Assignors have agreed to provide for the purchase of an annuity to generate certain periodic payments to the United States of America in satisfaction of all claims the United States of America may have against the Assignors.

C. The parties desire to enter into this Assignment and Assumption Agreement to provide for the assignment to and assumption by the Assignee of the Assignors' obligations described in paragraph B above and upon the terms and conditions set forth herein.

NOW THEREFORE, it is hereby agreed as follows:

1. Assignment and Assumption of Obligations.

Subject to the terms and conditions of this Agreement the Assignors hereby assign to the Assignee, and the Assignee hereby assumes, the obligations of the Assignors to purchase an annuity to generate periodic payments to the United States of America, which are more particularly described in Exhibit A attached hereto. The United States of America hereby expressly consents to this assignment and agrees that the Assignors are hereby released from any and all obligations with respect to the periodic payments set forth in Exhibit A attached hereto.

2. Payment by the Assignors.

In consideration of the assumption by the Assignee of the obligation to purchase and create the annuity set forth in paragraph 1 above, the Assignors and/or their liability insurers will deliver a check made payable to Merrill Lynch Settlement Services, Inc. in the

MLSS121986B

amount of \$3,000,000.00. It is the intention of the parties that such payment be received by the Assignee on or before December 22, 1986.

3. Purchase of an Annuity.

In order to fulfill its obligation to purchase and create an annuity to generate the periodic payments set forth in Exhibit A attached hereto, the Assignee hereby agrees that promptly following the execution of this Agreement and receipt of funds set forth in paragraph 2 above, the Assignee will purchase an annuity policy from Allstate Life Insurance Company designating the United States of America as payee.

4. Cooperation and Further Instruments.

The parties hereby agree to cooperate fully and take all further actions and execute all further instruments as may be necessary or appropriate in order to carry out the purposes of this Agreement.

5. Successors; Authorization.

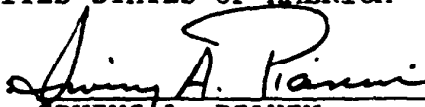
This Agreement contains the entire Agreement between the parties with regard to the matter set forth in it and shall be binding upon and inure to the benefit of the parties hereto, jointly and severally, and the executors, administrators, personal representatives, heirs and successors of each.

6. Governing Law.


This Agreement is entered into in the State of Florida and shall be construed and interpreted in accordance with its laws.

UNITED STATES OF AMERICA

Dated: December 22, 1986

By:   
IRVING A. PIANIN  
Trial Attorney  
United States Department of  
Justice

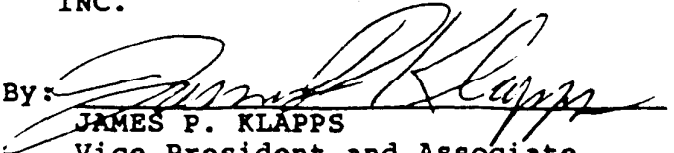
Dated: December 22, 1986

By:   
JOHN W. KELLER, III  
Fowler, White, Burnett, Hurley,  
Banick & Strickroot, P.A.

Assignors

MEERILL LYNCH SETTLEMENT SERVICES,  
INC.

Dated: December 22, 1986

By:   
JAMES P. KLAPPS  
Vice President and Associate  
General Counsel

Assignee

EXHIBIT A

Description of Periodic Payments:

- (i) the sum of \$240,000.00 to be paid annually, first payment 1 year from date of funding of the settlement, for 5 years;
- (ii) the sum of \$400,000.00 to be paid annually, first payment 6 years from the date of funding of the settlement, for 5 years;
- (iii) the sum of \$615,000.00 to be paid annually, first payment 11 years from date of funding of the settlement, for 5 years.

Total Periodic Payments: \$6,275,000.00

AGENCY CONTRACT FOR PERIODIC PAYMENTS

This contract is entered into by and between the United States of America, as principal, and Merrill Lynch Settlement Services, Inc. (MLSS), as agent.

RECITALS

A. On or about December 22, 1986 the United States of America will become entitled to receive \$6,275,000.00 in annuity payments over a fifteen year period in settlement of certain claims and causes of action against the M/V "WELLWOOD", Wellwood Shipping Co., Ltd., Hanseatic Shipping Co., Ltd. and Christopher Vickers. The referenced annuity payments are to be paid annually commencing one year from the date of the purchase of an annuity and continue for a total of fifteen payments, as follows:

- (i) \$240,000.00 payable on December 18, 1987, December 18, 1988, December 18, 1989, December 18, 1990 and December 18, 1991;
- (ii) \$400,000.00 payable on December 18, 1992, December 18, 1993, December 18, 1994, December 18, 1995 and December 18, 1996;
- (iii) \$615,000.00 payable on December 18, 1997, December 18, 1998, December 18, 1999, December 18, 2000 and December 18, 2001

B. The aforesaid annuity payments are to be funded at a cost not to exceed \$3,000,000.00 and the annuity shall be purchased from Allstate Life Insurance Company.

NOW THEREFORE, it is agreed as follows:

1. MLSS will receive the sum of \$3,000,000.00 from the "WELLWOOD" defendants on or about December 22, 1986, and will forthwith, as agent for the United States of America, purchase a single premium annuity certain providing for the payment of the sums described above.


2. As owner of the annuity contract, as agent for the United States of America, MLSS will designate the United States of America as the payee. Although MLSS shall retain physical possession of the original annuity contract, the United States of America shall have all beneficial ownership interests in the contract and MLSS shall not exercise any rights of ownership inconsistent with

the right of the United States to receive the scheduled annuity payments. MLSS shall not convey, cancel, surrender, hypothecate or assign the annuity contract and shall not alter the date or amount of any scheduled annuity payment. All income of the annuity and all annuity payments shall be considered the income and property of the United States of America.

3. The United States of America may at any time revoke this agency contract by giving written notice of revocation to MLSS. Upon such revocation MLSS shall transfer the physical possession of the original annuity contract and ownership of the annuity contract to the United States of America and all further obligations on the part of MLSS shall then cease.


UNITED STATES OF AMERICA

Dated: December 22, 1986

By:   
IRVING A. PIANIN  
Trial Attorney  
United States Department  
of Justice

MERRILL LYNCH SETTLEMENT  
SERVICES, INC.

Dated: December 22, 1986

By:   
JAMES P. KLAPPS  
Vice President and Associate  
General Counsel

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 84-1888-CIV-ATKINS

UNITED STATES OF AMERICA,

Plaintiff,

vs.

M/V WELLWOOD, her engines,  
tackle, apparel, appurtenances,  
etc., in rem, WELLWOOD SHIPPING  
CO., LTD., HANSEATIC SHIPPING CO.,  
LTD., and CHRISTOPHER VICKERS, in  
personam,

Defendants.

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STIPULATION FOR DISMISSAL AND DISCHARGE OF SURETIES

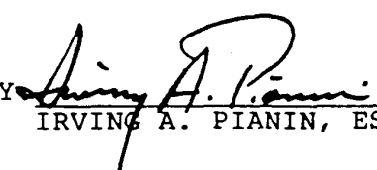
The parties, by and through their undersigned attorneys, hereby stipulate to dismissal of the above-styled litigation and discharge of all sureties. The parties further agree that each party will bear his/its own costs, expenses and attorneys' fees.

Finally, it is requested that the Court enter an Order hereon dismissing this cause, with prejudice, each party to bear his/its own costs, expenses and attorneys' fees and order discharge of all sureties.

Respectfully submitted,

U.S. DEPARTMENT OF JUSTICE  
Torts Branch  
Civil Division  
P.O. Box 14271  
Washington, DC 20044

SCHREIBER, RODON-ALVAREZ, P.A.  
430 South Dixie Highway  
Suite 10  
Coral Gables, FL 33146

BY:   
IRVING A. PIANIN, ESQ.

BY: \_\_\_\_\_  
GERHARDT A. SHCREIBER, ESQ.

FOWLER, WHITE, BURNETT, HURLEY,  
BANICK & STRICKROOT, P.A.  
25 West Flagler Street  
Miami, FL 33130

BY:

  
\_\_\_\_\_  
JOHN W. KELLER, ESQ.



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 84-1888-CIV-ATKINS

UNITED STATES OF AMERICA,

Plaintiff,

vs.

M/V WELLWOOD, her engines,  
tackle, apparel, appurtenances,  
etc., in rem, WELLWOOD SHIPPING  
CO., LTD., HANSEATIC SHIPPING CO.,  
LTD., and CHRISTOPHER VICKERS, in  
personam,

Defendants.

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ORDER OF DISMISSAL AND DISCHARGE OF SURETIES

THIS CAUSE came before the Court on the stipulation of the parties for dismissal, with prejudice, each party to bear his/its own costs, expenses and attorneys' fees and for discharge of all sureties. The Court having considered the stipulation and being otherwise fully advised on the premises, it is thereupon

ORDERED AND ADJUDGED that this action be and the same is hereby dismissed, with prejudice, each party to bear his/its own costs, expenses and attorneys' fees, and that all sureties be and the same are hereby discharged.

DONE AND ORDERED in chambers at Miami, Dade County, Florida  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

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DISTRICT COURT JUDGE

Copies furnished to:

Irving A. Pianin, Esq.  
Gerhart Schreiber, Esq.  
John W. Keller, Esq.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

DOCKET NO. 84-2048-CIV-ATKINS

IN THE MATTER OF:

COMPLAINT OF WELLWOOD SHIPPING  
COMPANY, LTD., as Owner of the  
M/V WELLWOOD, for exoneration  
from or limitation of liability.

Petitioner.

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STIPULATION FOR DISMISSAL AND PARTIAL DISCHARGE OF SURETIES

These parties, the UNITED STATES OF AMERICA and WELLWOOD SHIPPING COMPANY, LTD., by and through their undersigned attorneys, hereby stipulate to dismissal of all claims by the UNITED STATES OF AMERICA against WELLWOOD SHIPPING COMPANY, LTD. and the M/V "WELLWOOD" and partial discharge of all sureties. These parties further agree that each will bear its own costs, expenses and attorneys' fees.

Finally, it is requested that the Court enter an Order hereon dismissing all claims by the United States, with prejudice, each party to bear its own costs, expenses and attorneys' fees and to discharge all sureties as to only the claims asserted by the United States of America.

It is noted that claims remain pending by Pell Nederlands and Sea Lift, Inc.

Respectfully submitted,

FOWLER, WHITE, BURNETT, HURLEY,  
BANICK & STRICKROOT, P.A.  
25 West Flagler Street  
5th Floor  
Miami, FL 33130

BY: 

JOHN W. KELLER, ESQ.

U.S. DEPARTMENT OF JUSTICE  
Torts Branch  
Civil Division  
P.O. Box 14271  
Washington, DC 20044

BY: 

IRVING A. PIANIN, ESQ.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

DOCKET NO. 84-2048-CIV-ATKINS

IN THE MATTER OF:

COMPLAINT OF WELLWOOD SHIPPING  
COMPANY, LTD., as Owner of the  
M/V WELLWOOD, for exoneration  
from or limitation of liability.

Petitioner.

---

ORDER OF DISMISSAL AND DISCHARGE OF SURETIES

THIS CAUSE came before the Court on the stipulation of the UNITED STATES OF AMERICA, as claimant, and WELLWOOD SHIPPING CO., LTD., as petitioner and owner of the M/V "WELLWOOD", for dismissal with prejudice of all claims asserted herein by the UNITED STATES OF AMERICA. Each party has agreed to bear its own costs, expenses and attorneys' fees and to discharge of all sureties. The Court having considered the stipulation and being otherwise fully advised on the premises, it is thereupon

ORDERED AND ADJUDGED that all claims asserted by the UNITED STATES OF AMERICA be and the same are hereby dismissed, with prejudice, each party to bear its own costs, expenses and attorneys' fees. It is further,

ORDERED AND ADJUDGED that all sureties be and the same are hereby discharged solely to the extent of the claims asserted by the UNITED STATES OF AMERICA.

DONE AND ORDERED in chambers at Miami, Dade County, Florida  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

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DISTRICT COURT JUDGE

Copies furnished to:

Irving A. Pianin, Esq.  
John W. Keller, Esq.

RELEASE

KNOW ALL MEN BY THESE PRESENTS:

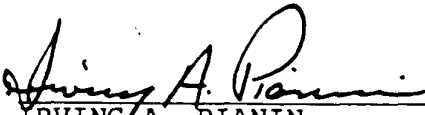
That We, United States of America, all its agencies and parts, First Parties, for and in consideration of Three Million Dollars (\$3,000,000) to be used for the purchase of a single premium certain annuity from Allstate Life Insurance Company, which Merrill Lynch Settlement Services, Inc. in consideration of and for its expected commission, guarantees will yield total benefits to the First Parties in an amount of approximately \$6,275,000 (Six Million Two Hundred Seventy-Five Thousand and No/100 Dollars) over a 15-year payment period, which \$3,000,000 (Three Million and No/100 Dollars) is received from or on behalf of M/V "WELLWOOD," her owners, operators, agents, charterers, masters, officers and crews, including, but not limited to, Wellwood Shipping Co., Ltd., Hanseatic Shipping Co., Ltd., Christopher Vickers and their respective protection and indemnity associations/insurers, Second Parties, receipt of which is hereby acknowledged by and on behalf of the First Parties through acknowledged delivery to Merrill Lynch Settlement Services, Inc., said First Parties do

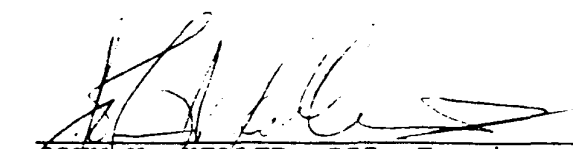
HEREBY remise, release, acquit, satisfy, and forever discharge the said Second Parties, of and from all, and all manner of, action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, in admiralty or in equity, which said

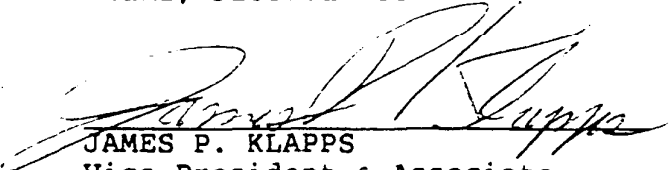
First Parties ever had, now have, or which any personal representative, successor, heir or assign of said First Parties, hereafter can, shall or may have, against said second parties, for, upon or by reason of the presence of the M/V "WELLWOOD" in or around the Key Largo National Marine Sanctuary in or about August, 1984.

RICHARD K. WILLARD  
Assistant Attorney General,  
on behalf of FIRST PARTIES

LEON B. KELLNER  
United States Attorney,  
on behalf of FIRST PARTIES

By   
IRVING A. PIANIN  
Trial Attorney  
Torts Branch, Civil Division  
U.S. Department of Justice  
Post Office Box 14271  
Washington, D.C. 20044  
Telephone: 202-724-7781

  
JOHN W. KELLER, III, Esquire  
Fowler, White, Burnett, Hurley,  
Banick & Strickroot, P.A.,  
on behalf of SECOND PARTIES  
Fifth Floor  
City National Bank Building  
25 West Flagler Street  
Miami, Florida 33130

  
JAMES P. KLAPPS  
Vice President & Associate  
General Counsel  
Merrill Lynch Settlement  
Services, Inc.  
Suite 906  
1828 L Street, N.W.  
Washington, D.C. 20036

UNITED STATES DEPARTMENT OF COMMERCE  
OFFICE OF ADMINISTRATIVE LAW JUDGE

IN THE MATTER OF:

CHRISTOPHER VICKERS  
WELLWOOD SHIPPING COMPANY  
HANSEATIC SHIPPING COMPANY

DOCKET NUMBER 455-225  
DOCKET NUMBER 455-226  
DOCKET NUMBER 455-227

Respondents.

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STIPULATION FOR DISMISSAL

The parties, by and through their undersigned attorneys, hereby stipulate to dismissal of the above styled administrative civil penalty proceedings. The parties further agree that each party will bear his/its own costs, expenses and attorneys' fees.

Finally, it is requested that the Court enter a final Order hereon dismissing these proceedings, with prejudice, each party to bear his/its own costs, expenses and attorneys' fees.

Respectfully submitted,

FOWLER, WHITE, BURNETT, HURLEY,  
BANICK & STRICKROOT, P.A.  
25 West Flagler Street  
Miami, FL 33130

SCHREIBER, RODON-ALVAREZ, P.A.  
430 South Dixie Highway  
Suite 10  
Coral Gables, FL 33146

BY:   
JOHN W. KELLER, ESQ.

BY: \_\_\_\_\_  
GERHARDT A. SCHREIBER, ESQ.

U.S. DEPARTMENT OF COMMERCE  
Office of General Counsel  
9450 Koger Boulevard, Suite 102  
St. Petersburg, FL 33702

BY:   
FREDERICK D. KYLE, ESQ.