Navios Maritime Holdings Inc.
Form 424B3
February 19, 2019
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Filed Pursuant to Rule 424(b)(3)
Registration Statement No. 333-228976

PROSPECTUS

Navios Maritime Holdings Inc.

OFFER TO EXCHANGE

Cash and/or 9.75% Senior Notes Due 2024

For

946,100 American Depositary Shares, Each Representing 1/100th of a Share of 8.75% Series G Cumulative Redeemable Perpetual Preferred Stock

and

1,907,600 American Depositary Shares, Each Representing 1/100th of a Share of 8.625% Series H Cumulative Redeemable Perpetual Preferred Stock

AND

CONSENT SOLICITATION STATEMENT

To Adopt The Proposed Amended and Restated

Certificates of Designation for Each Series of Preferred Stock

Title of Class of Securities	CUSIP No.	Consideration Offered
American Depositary Shares, each representing 1/100th of a Share of 8.75% Series G Cumulative Redeemable Perpetual Preferred Stock (NYSE: NMpG)	63938Y 100	Either (a) $7.25 and/or (b) $8.28 principal amount of 9.75% Senior Notes due 2024, per Series G ADS.
American Depositary Shares, each representing 1/100th of a Share of 8.625% Series H Cumulative	63938Y 308	Either (a) $7.16 and/or (b) $8.19 principal amount of 9.75% Senior Notes due 2024, per

Redeemable Perpetual Preferred Stock (NYSE: NMpH)	Series H ADS.

THE EXCHANGE OFFER AND THE CONSENT SOLICITATION (EACH AS DEFINED BELOW) WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON MARCH 1, 2019 UNLESS EXTENDED OR EARLIER TERMINATED BY US AT ANY TIME (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED OR TERMINATED, THE EXPIRATION DATE). TENDERS MAY BE WITHDRAWN AT ANY TIME BEFORE 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

The Depository Trust Company (DTC) and its direct and indirect participants will establish their own cutoff dates and times to receive instructions to tender in this Exchange Offer, which will be earlier than the Expiration Date. You should contact your broker or other securities intermediary to determine the cutoff date and time applicable to you.

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As of December 19, 2018, 1,419,055 Series G ADSs and 2,861,128 Series H ADSs were outstanding. The last reported sales price of the Series G ADSs on the New York Stock Exchange (the NYSE) on February 15, 2019 was $5.60 per Series G ADS. The last reported sales price of the Series H ADSs on the NYSE on February 15, 2019 was $5.36 per Series H ADS.

We are offering to exchange:

(1) cash; and/or

(2) newly issued 9.75% Senior Notes due 2024 (the 2024 Notes),

on the terms and conditions set forth in this prospectus (the Exchange Offer), for

(1) 946,100 outstanding American Depositary Shares (Series G ADSs), each representing 1/100th of a Share of 8.75% Series G Cumulative Redeemable Perpetual Preferred Stock (the Series G Preferred Shares) and

(2) 1,907,600 outstanding American Depositary Shares (Series H ADSs and, together with the Series G ADSs, the ADSs), each representing 1/100th of a Share of 8.625% Series H Cumulative Redeemable Perpetual Preferred Stock (the Series H Preferred Shares and, together with the Series G Preferred Shares, the Preferred Shares).

If either or both Series G ADSs and Series H ADSs are validly tendered and not properly withdrawn in excess of the number of Series G ADSs or Series H ADSs set forth above that we are seeking in the Exchange Offer, they will be subject to the tender acceptance proration procedures described in this prospectus. Any Series G ADSs or Series H ADSs in excess of the number of Series G ADSs or Series H ADSs sought in the Exchange Offer will be not be accepted for exchange and will be returned to tendering holders promptly after the consummation of the Exchange Offer. See Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures.

If the Exchange Offer is completed with respect to the Series G ADSs and the Series H ADSs, the consideration to be received for the Series G ADSs and Series H ADSs shall be cash and/or 2024 Notes according to the applicable holder s election, subject to the next sentence. No more than 50% of the number of Series G ADSs and no more than 50% of the number of Series H ADSs validly tendered and accepted will receive cash consideration (each, a cash cap). If more than 50% of the Series G ADSs and/or more than 50% of the Series H ADSs that are validly tendered and accepted for exchange, after giving effect to the tender acceptance proration described in the prior paragraph, have elected to receive cash consideration, they will be subject to consideration proration and all such Series G ADSs and/or Series H ADSs in excess of the applicable cash cap will be deemed to have been tendered for, and will automatically receive, 2024 Notes. However, to the extent the cash cap for one series of ADSs is not reached and the cash cap for the other series of ADSs is reached, we will allocate such unutilized cash amounts to satisfy cash elections in excess of the cash cap for the other series of ADSs, on a pro rata basis. In addition, no more than $7.8 million of 2024 Notes will be issued as consideration for Series G ADSs and no more than $7.8 million of 2024 Notes will be issued as consideration for Series H ADSs and any Series G ADSs or Series H ADSs tendered in excess of this limitation will be deemed to have made a cash election instead. To the extent that holders of either the Series G ADSs or Series H ADSs made elections that would cause fewer than $7.8 million of 2024 Notes to be issued in respect of such series then unused amounts of 2024 Notes will be allocated to the extent necessary to satisfy elections of 2024 Notes for the other series.

Navios Holdings plans to pay the cash consideration to tendering holders who elected cash consideration (subject to the consideration proration described above) and to issue the 2024 Notes to tendering holders who elected, or were deemed to have elected, the 2024 Notes consideration, promptly following the Expiration Date. Fractional interest in the 2024 Notes will not be issued in exchange for Series G ADSs or Series H ADSs. Instead, any holder who would otherwise receive a fractional interest in the 2024 Notes will have its distribution of 2024 Notes rounded down to the nearest $25.00 denomination and will receive a cash payment for the fractional interest. The 2024 Notes will bear interest at a rate of 9.75% per annum, payable semi annually in arrears on each April 15 and October 15, commencing on October 15, 2019, and will mature on April 15, 2024. The 2024 Notes will be senior unsecured obligations and will not benefit from any guarantees. See Description of Notes. Navios Holdings does not intend to list the 2024 Notes on the NYSE or any other national or regional securities exchange.

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Concurrently with the Exchange Offer, we are also soliciting consents from holders of each of the Series G ADSs and the Series H ADSs to amend and restate the respective certificates of designation under which each of the Series G Preferred Shares and Series H Preferred Shares were issued (collectively, the Proposed Amendments) to eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends from any past periods or future periods and to amend certain voting rights (the Consent Solicitation). The tender by a holder of Series G ADSs or Series H ADSs that are accepted for exchange pursuant to this Exchange Offer will constitute the granting of consent by such holder to the respective proposed amended and restated Series G Preferred Shares or Series H Preferred Shares certificate of designation. Such consent will be provided as an instruction to The Bank of New York Mellon, the Depositary, as the only holder of Preferred Shares, to consent in favor of the Proposed Amendments with respect to the Preferred Shares underlying the tendered ADSs. However, the consent will not be deemed given and the Proposed Amendments will not become effective with respect to the Series G Preferred Shares and/or the Series H Preferred Shares unless (i) 66 2/3% of the Series G ADSs or Series H ADSs are tendered in the Exchange Offer and the Proposed Amendments are approved pursuant to the Consent Solicitation, and (ii) the amended and restated certificates of designation are approved by the holders of the majority of our outstanding Common Stock in a future vote.

The Exchange Offer is conditioned upon the satisfaction or waivers, where permitted, of the conditions set forth discussed under Terms of the Exchange Offer and Consent Solicitation Conditions of the Exchange Offer.

The Exchange Offer is being made exclusively to existing holders of Series G ADSs and/or Series H ADSs.

You should consider carefully the Risk Factors beginning on page 16 of this prospectus and the risk factors set forth in Annex A to this prospectus before you decide whether to participate in the Exchange Offer and Consent Solicitation.

You must make your own decision whether to tender Series G ADSs and/or Series H ADSs in the Exchange Offer and, if so, how many of such Series G ADSs and/or Series H ADSs to tender and the form of consideration to be paid therefor. Neither we, our Board of Directors, the Information Agent, the Exchange Agent, the Depositary, nor any affiliate of any of the foregoing or any other person is making any recommendation as to whether or not you should tender your Series G ADSs and/or Series H ADSs in the Exchange Offer or which form of consideration you should elect as payment therefor. You are urged to discuss your decision with your own tax advisor, financial advisor and/or broker.

The Exchange Offer has not been approved or disapproved by the Securities and Exchange Commission (the SEC), any state securities commission, or the similar commission or governmental agency of any foreign jurisdiction, nor has the SEC, any state securities commission, or the similar commission or governmental agency of any foreign jurisdiction determined whether the information in this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 19, 2019.

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WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed a registration statement on Form F-4 with the SEC under the Securities Act of 1933, as amended (the Securities Act), with regard to the Exchange Offer and the securities described in this prospectus. This prospectus, which forms a part of the registration statement, including amendments, does not contain all the information included in the registration statement. This prospectus is based on information provided by us and other sources that we believe to be reliable. This prospectus summarizes certain documents and other information and we refer you to them for a more complete understanding of what we discuss in this prospectus.

We are subject to the informational requirements of the Exchange Act, applicable to foreign private issuers. We, as a foreign private issuer, are exempt from the rules under the Exchange Act prescribing certain disclosure and procedural requirements for proxy solicitations, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act, with respect to their purchases and sales of shares. In addition, we are not required to file annual, quarterly and current reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we have in the past filed, and anticipate continuing to file, with the SEC, within 120 days after the end of each fiscal year, an annual report on Form 20-F containing financial statements audited by an independent registered public accounting firm. We also have in the past furnished, anticipate continuing to furnish, quarterly reports on Form 6-K containing unaudited interim financial information for the first three quarters of each fiscal year, within 75 days after the end of such quarter. Our SEC filings are available to the public through the SEC s website at http://www.sec.gov.

General information about us, including our annual reports on Form 20-F and quarterly reports on Form 6-K, as well as any amendments and exhibits to those reports, are available free of charge through our website at http://www.navios.com as soon as reasonably practicable after we file them with, or furnish them to, the SEC. Information on our website is not incorporated into this prospectus or our other securities filings and is not a part of this prospectus. Our Annual Report on Form 20-F for the year ended December 31, 2017 is included in this prospectus as Annex A and our Quarterly Report on Form 6-K for the quarter ended September 30, 2018 is included in this prospectus as Annex B.

This information contained in this registration statement is available to you without charge upon your request. You can obtain a copy of the registration statement of which this prospectus forms a part, including the documents filed as exhibits to such registration statement, by requesting it in writing or by telephone. You should direct your requests to the Information Agent for the Exchange Offer:

Georgeson LLC

Call Toll-Free (888) 566-3252

Contact via E-mail at: Navios@georgeson.com

To ensure timely delivery of the documents in advance of the Expiration Date, please make your request as soon as practicable and, in any event, no later than February 22, 2019, which is five business days prior to the Expiration Date.

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You should rely only on the information contained in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus does not constitute an offer to sell, or solicitation of an offer to buy, to any person in any jurisdiction in which such an offer to sell or solicitation would be unlawful. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus.

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NEITHER WE, OUR BOARD OF DIRECTORS, THE INFORMATION AGENT, THE EXCHANGE AGENT, THE DEPOSITARY, NOR ANY AFFILIATE OF ANY OF THE FOREGOING NOR ANY OTHER PERSON IS MAKING ANY RECOMMENDATION AS TO WHETHER OR NOT YOU SHOULD TENDER YOUR SERIES G ADSs AND/OR SERIES H ADSs IN THE EXCHANGE OFFER OR WHICH FORM OF CONSIDERATION YOU SHOULD ELECT AS PAYMENT THEREFOR. YOU MUST MAKE YOUR OWN INVESTMENT DECISION REGARDING THE EXCHANGE OFFER BASED UPON YOUR OWN ASSESSMENT OF THE MARKET VALUE OF THE SERIES G ADSs OR SERIES H ADSs AND THE 2024 NOTES, YOUR LIQUIDITY NEEDS, YOUR INVESTMENT OBJECTIVES AND ANY OTHER FACTORS YOU DEEM RELEVANT. SEE RISK FACTORS.

This prospectus does not constitute an offer to participate in the Exchange Offer to any person in any jurisdiction where it is unlawful to make such an offer or solicitations. The Exchange Offer are being made on the basis of this prospectus and are subject to the terms described herein and those that may be set forth in any amendment or supplement thereto or incorporated by reference herein. Any decision to participate in the Exchange Offer should be based on the information contained in this prospectus, any amendment or supplement thereto, which should be read before making any decision to participate in the Exchange Offer and Consent Solicitation. In making an investment decision or decisions, prospective investors must rely on their own examination of us and the terms of the Exchange Offer and Consent Solicitation and the consideration being offered and the terms of the Proposed Amendments being sought, including the merits and risks involved. Prospective investors should not construe anything in this prospectus as legal, business or tax advice. Each prospective investor should consult its advisors as needed to make its investment decision and to determine whether it is legally permitted to participate in the Exchange Offer and Consent Solicitation under applicable legal investment or similar laws or regulations.

Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it participates in the Exchange Offer and Consent Solicitation or possesses or distributes this prospectus and must obtain any consent, approval or permission required by it for participation in the Exchange Offer and Consent Solicitation under the laws and regulations in force in any jurisdiction to which it is subject, and neither we nor any of our respective representative shall have any responsibility therefor.

No action with respect to the offer of exchange consideration has been or will be taken in any jurisdiction (except the United States) that would permit a public offering of the offered securities, or the possession, circulation or distribution of this prospectus or any material relating to Navios Holdings or the offered securities where action for that purpose is required. Accordingly, the offered securities may not be offered, sold or exchanged, directly or indirectly, and neither this prospectus nor any other offering material or advertisement in connection with the Exchange Offer may be distributed or published, in or from any such jurisdiction, except in compliance with any applicable rules or regulations of any such country or jurisdiction.

This prospectus contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All of those summaries are qualified in their entirety by this reference. Copies of documents referred to herein will be made available to prospective investors upon request to the Information Agent at the address and telephone number set forth on the back cover of this prospectus.

The delivery of this prospectus shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or in the affairs of Navios Holdings or its affiliates since the date hereof.

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ABOUT THIS PROSPECTUS

As used in this prospectus, unless the context indicates otherwise:

References to the company, Navios Holdings, we, our and us, refer to Navios Maritime Holdings Inc. a subsidiaries.

References to Navios Logistics are to Navios South American Logistics Inc., Navios Holding s South American subsidiary and one of the largest logistics companies in the Hidrovia region of South America, focusing on the Hidrovia river system, the main navigable river system in the region, and on cabotage trades along the eastern coast of South America. Navios Holdings owns 63.8% of Navios Logistics as of the date of this prospectus.

References to Navios Partners are to Navios Maritime Partners L.P. (NYSE: NMM), a separate NYSE-listed limited partnership formed by us in August 2007. Navios Holdings owns a 20.2% interest in Navios Partners as of the date of this prospectus, which includes a 2% general partner interest.

References to Navios Acquisition are to Navios Maritime Acquisition Corporation (NYSE: NNA), a separate NYSE-listed company formed by us in March 2008. Navios Holdings owns 45.3% of the outstanding voting stock of Navios Acquisition as of September 30, 2018.

References to Navios Europe I are to Navios Europe Inc., a Republic of the Marshall Islands corporation formed by Navios Holdings, Navios Acquisition and Navios Partners in October 2013 to engage in the marine transportation industry. Navios Holdings, Navios Acquisition and Navios Partners as of the date of this Prospectus have economic interests in Navios Europe I of 47.5%, 47.5% and 5.0%, respectively and voting interests of 50%, 50% and 0%, respectively.

References to Navios Europe II are to Navios Europe (II) Inc., a Republic of the Marshall Islands corporation formed by Navios Holdings, Navios Acquisition and Navios Partners in February 2015 to engage in the marine transportation industry. Navios Holdings, Navios Acquisition and Navios Partners as of the date of this Prospectus have economic interests in Navios Europe II of 47.5%, 47.5% and 5.0%, respectively and voting interests of 50%, 50% and 0%, respectively.

References to Navios Containers are to Navios Maritime Containers L.P. (NASDAQ: NMCI), a publicly traded master limited partnership which is a growth vehicle dedicated to the container sector of the maritime industry. As of the date of this prospectus, Navios Holdings owns 3.7% of the common units in Navios Containers.

Unless otherwise indicated, all dollar references in this prospectus are to U.S. dollars and financial information presented in this prospectus that is derived from financial statements included in Annex A and Annex B is prepared in accordance with accounting principles generally accepted in the United States. The data related to our fleet reflected in

this prospectus, including without limitation, the number of our owned vessels, the number of our chartered-in vessels and deadweight tons, is as of December 13, 2018 unless otherwise indicated.

This prospectus is part of a registration statement that we filed with the SEC.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and any other written or oral statements made by us or on our behalf may include forward-looking statements, which reflect our current views with respect to future events and financial performance. The words may, could, should, would, expect, plan, anticipate, intend, forecast, believe, estimate, predict, pro and similar expressions identify forward-looking statements.

The forward-looking statements in this prospectus and in other written or oral statements we make from time to time are based upon current assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management s examination of historical operating trends, data contained in our records, and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors and matters discussed elsewhere in this prospectus, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to:

- the strength of world economies,
- fluctuations in currencies and interest rates,
- general market conditions, including fluctuations in charter hire rates and vessel values,
- changes in demand in the dry cargo shipping industry,
- changes in Navios Holdings operating expenses, including bunker prices, drydocking and insurance costs,
- expectations of dividends and distributions from affiliates,
- Navios Holdings ability to maintain compliance with the continued listing standards of the NYSE,
- changes in governmental rules and regulations or actions taken by regulatory authorities,
- potential liability from pending or future litigation,

general domestic and international political conditions,

potential disruption of shipping routes due to accidents or political events,

the value of our publicly traded subsidiaries, and other important factors described in this prospectus. See also Risk Factors in this prospectus, as well as the risk factors set forth in Annex A to this prospectus.

We undertake no 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, except as required by law. 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.

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ENFORCEABILITY OF CIVIL LIABILITIES AND INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

We are incorporated under the laws of the Republic of the Marshall Islands. A majority of the directors and officers named in the prospectus reside outside the United States. In addition, a substantial portion of the assets and the assets of the directors and officers are located outside the United States. As a result, you may have difficulty serving legal process within the United States upon Navios Holdings or any of these persons. You may also have difficulty enforcing, both in and outside the United States, judgments you may obtain in United States courts against Navios Holdings or these persons in any action, including actions based upon the civil liability provisions of United States federal or state securities laws. Furthermore, there is substantial doubt that the courts of the Republic of the Marshall Islands would enter judgments in original actions brought in those courts predicated on United States federal or state securities laws. See Risk Factors Risks Associated with the Shipping Industry and Our Drybulk Operations We are incorporated in the Republic of the Marshall Islands, which does not have a well-developed body of corporate law and We, and certain of our officers and directors, may be difficult to serve with process, as we are incorporated in the Republic of the Marshall Islands and such persons may reside outside of the United States in Annex A to this prospectus.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

We have obtained directors and officers liability insurance against any liability asserted against such person incurred in the capacity of director or officer or arising out of such status, whether or not we would have the power to indemnify such person.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

This prospectus contains our trademarks, service marks and trade names, including our proprietary logos and the domain name for our website, and also contains the trademarks, service marks and trade names of other companies.

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QUESTIONS AND ANSWERS ABOUT THE EXCHANGE OFFER AND CONSENT SOLICITATION

The following are questions and answers regarding the Exchange Offer and Consent Solicitation. It does not contain all of the information that may be important to you. You should carefully read this prospectus, including the Annexes, to fully understand the terms of the Exchange Offer and Consent Solicitation, as well as the other considerations that are important to you in making your decision whether to participate in the Exchange Offer and Consent Solicitation. You should pay special attention to the financial and business information and risk factors set forth in Annex A and Annex B and the information included in this prospectus under the captions entitled Risk Factors and Cautionary Note Regarding Forward-Looking Statements , as well as the descriptions of the Series G Preferred Shares, the Series H Preferred Shares, and the 2024 Notes included in this prospectus filed as exhibits to the registration statement of which the prospectus is a part.

What is the purpose of the Exchange Offer?

Navios Holdings is not required to, and over the last 11 quarters has exercised its discretion not to, pay cash dividends to its holders of the Series G ADSs or Series H ADSs. This Exchange Offer offers holders of the Series G ADSs or Series H ADSs the opportunity to exchange the substantial majority of their Series G ADSs or Series H ADSs for (i) cash, which will provide immediate liquidity, and/or (ii) 2024 Notes, which will require Navios Holdings to pay, and which Navios Holdings will not have the discretion to avoid paying, interest (aside from in a bankruptcy). This Exchange Offer may be appropriate for a holder seeking liquidity and/or greater certainty that it will receive current cash payments on its security and willing to forego the possibility that previously accrued dividends on the Series G ADSs and Series H ADSs might be paid in the future and that Navios Holdings will elect to redeem the Preferred Shares at their liquidation preference.

Accordingly, while we believe the Exchange Offer offers benefits to Navios Holdings and to holders of Series G ADSs and Series H ADSs, the Exchange Offer is not equally suitable for all holders of Series G ADSs and Series H ADSs, and the decision as to whether to tender Series G ADSs and/or Series H ADSs in the Exchange Offer will not be the same for all holders.

Neither we, our Board of Directors, the Information Agent, the Exchange Agent, the Depositary, nor any affiliate of any of the foregoing or any other person is making any recommendation as to whether or not you should tender your Series G ADSs and/or Series H ADSs in the Exchange Offer or which form of consideration you should elect as payment therefor. You must make your own investment decision regarding the Exchange Offer based upon your own assessment of the market value of the Series G ADSs or Series H ADSs and the 2024 Notes, your liquidity needs, your investment objectives and any other factors you deem relevant. See Risk Factors in this prospectus as well as the risk factors included in Annex A to this prospectus.

The Exchange Offer is being made exclusively to existing holders of Series G ADSs and/or Series H ADSs. The record date for participating in the Exchange Offer and Consent Solicitation is the Expiration Date.

Who is offering to buy my Series G ADSs or Series H ADSs? Who is seeking my consent to adopt the Proposed Amendments?

Navios Maritime Holdings Inc., a Republic of the Marshall Islands corporation and issuer of the Preferred Shares underlying your Series G ADSs or Series H ADSs, is offering to acquire 66 2/3% of each of the outstanding Series G ADSs and Series H ADSs and seeking relating consents of 66 2/3% of the outstanding Preferred Shares to the Proposed Amendments which will, if adopted, eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends from any past periods or future periods and amend certain voting

rights relating to the Preferred Shares.

The address of Navios Holdings principal executive office is 7 Avenue de Grande Bretagne, Office 11B2, Monte Carlo, MC 98000 Monaco, and its telephone number is (011)+(377) 9798-2140.

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Who may participate in the Exchange Offer?

All holders of the Series G ADSs and Series H ADSs may participate in the Exchange Offer. However, upon the terms and subject to the conditions of the Exchange Offer, if more than 946,100 of the outstanding Series G ADSs and/or 1,907,600 Series H ADSs are validly tendered and not properly withdrawn, the Series G ADSs and/or Series H ADSs in excess of such amounts will, in each case, be subject to tender acceptance proration procedures. This means, if you tender all of your Series G ADSs and/or all of your Series H ADSs and the Exchange Offer and Consent Solicitation are consummated for each series of Preferred Shares and the tender acceptance proration procedures are applied in either case, your tendered Series G ADSs and/or Series H ADSs in excess of the proration threshold will be returned to you and such returned Series G ADSs and Series H ADSs will be subject to the Proposed Amendments discussed below, assuming the Consent Solicitation is consummated with respect to either or both such series and the requisite consent of the holders of Common Stock is received. In applying the proration procedure to the individual tenders made by holders of Series G ADSs or Series H ADSs, including DTC participants, the Exchange Agent may make adjustments approved by Navios Holdings, up or down, so that no fraction of an ADS is purchased from any holders, including DTC participants.

See Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures.

Is there a minimum tender condition to the Exchange Offer?

No.

However, with respect to the Consent Solicitation, we cannot waive or amend the requirement that we obtain:

(i) the consents of:

(1) the holders of approximately 66 2/3% of Series G ADSs for the Consent Solicitation as it relates to the Proposed Amendments relating to the Series G Preferred Shares; and/or

(2) the holders of approximately 66 2/3% of the Series H ADSs for the Consent Solicitation as it relates to the Proposed Amendments relating to the Series H Preferred Shares; and

(ii) the approval of the holders of the majority of our outstanding Common Stock,

before the Proposed Amendments to the amended and restated certificates of designation of each of the Series G Preferred Shares and Series H Preferred Shares, as applicable, can become effective.

See Terms of the Exchange Offer and Consent Solicitation Terms of the Consent Solicitation.

What will I receive in the Exchange Offer if I tender my Series G ADSs or Series H ADSs and they are accepted?

We are offering to acquire Series G ADSs for either (a) $7.25 and/or (b) $8.28 principal amount of 9.75% Senior Notes due 2024, per Series G ADS.

We are offering to acquire Series H ADSs for either (a) $7.16 and/or (b) $8.19 principal amount of 9.75% Senior Notes due 2024, per Series H ADS.

You may elect to tender any portion of your Series G ADSs or Series H ADSs for cash and any portion of your Series G ADSs or Series H ADSs for 2024 Notes, subject to the applicable cash and 2024 Notes caps and related consideration proration procedures. See Terms of the Exchange Offer and Consent Solicitation Consideration Elections and Consideration Proration for additional information.

The 2024 Notes will bear interest at a rate of 9.75% per annum, payable semi annually and will mature on April 15, 2024. The 2024 Notes will be senior unsecured obligations effectively and structurally subordinated to Navios Holdings existing indebtedness, much of which is secured and guaranteed. See Description of Notes.

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What is sought in the Consent Solicitation?

We are seeking your consent to the Proposed Amendments. The Proposed Amendments, if adopted with respect to either or both of the Series G Preferred Shares or Series H Preferred Shares, will eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods and will amend certain voting rights in our existing Preferred Shares respective certificates of designation, including:

- eliminating the requirement that future unpaid dividends accrue for payment in the future;
- eliminating all previously accrued and unpaid dividends on the Preferred Shares and any obligation of Navios Holdings to pay such accrued and unpaid dividends at any time in the future, including on liquidation;
- prohibiting the payment of a dividend on the Common Stock in any quarter in which Navios Holdings does not pay a dividend on the Preferred Shares;
- eliminating the increase of the dividend rate on the Preferred Shares in the event Navios Holdings Articles of Incorporation are not amended to permit the holders of the Preferred Shares to elect a director if and when six or more quarterly dividends are in arrears;
- amending the requirement that, without the affirmative vote or consent of the holders of at least 66 2/3% of the outstanding series of Preferred Shares, voting as a class together with holders of any other parity securities, Navios Holdings shall not issue any parity securities if any dividends payable on outstanding Preferred Shares have not been declared or paid, to be revised to be the affirmative vote or consent of the holders of at least a majority of the outstanding series of Preferred Shares or of the holders of at least a majority of the outstanding series of Preferred Shares voting as a class together with holders of any other parity securities; and
- eliminating the requirement that, in the event that full cumulative dividends on the Preferred Shares and any parity securities shall not have been declared or paid and set apart for payment, none of Navios Holdings or any Affiliate of Navios Holdings may repurchase, redeem or otherwise acquire any series of Preferred Shares or parity securities or any junior securities, including Common Stock.

How do I vote for the Proposed Amendments?

If a holder validly tenders Series G ADSs or Series H ADSs prior to 5:00 P.M., New York City time, on the Expiration Date, and we accept such Series G ADSs or Series H ADSs, such tender will be deemed to constitute the delivery of consent to the Proposed Amendments as a holder of Series G ADSs or Series H ADSs with respect to the tendered Series G ADSs or Series H ADSs. You may not consent to the Proposed Amendments without tendering your Series G ADSs and/or Series H ADSs in the Exchange Offer prior to the Expiration Date. See Terms of the Exchange Offer and Consent Solicitation Proposed Amended and Restated Certificates of Designation Sought in the Consent Solicitation.

Any such consent will be provided as an instruction to The Bank of New York Mellon, the Depositary, as the only holder of Preferred Shares, to consent in favor of the Proposed Amendments with respect to the Preferred Shares underlying the tendered ADSs. Consents of at least 66 2/3% of the outstanding shares of the Series G Preferred Shares must be received in order to amend and restate the certificate of designation under which the Series G Preferred Shares were issued. Consents of at least 66 2/3% of the outstanding shares of the Series H Preferred Shares must be received in order to amend and restate the certificate of designation under which the Series H Preferred Shares were issued. In addition to approval by holders of the Preferred Shares, the amended and restated certificates of designation must also be approved by the holders of the majority of our outstanding Common Stock before the Proposed Amendments can become effective. If we complete the Exchange Offer and the Consent Solicitation with respect to one or both Series of ADSs, we intend to seek the approval of our holders of Common Stock at a special meeting of stockholders to the applicable Proposed Amendments which we intend to hold following the consummation of the Exchange Offer.

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What are the U.S. federal income tax consequences of the Exchange Offer to me?

The U.S. federal income tax consequences to you of participating in the Exchange Offer are complex and will vary depending on whether you tender all or less than all of your Series G ADSs or Series H ADSs (or a portion of your tendered Series G ADSs or Series H ADSs are returned to you under the tender offer acceptance proration procedures), whether you receive solely 2024 Notes, solely cash or a combination of 2024 Notes and cash, whether your receipt of such consideration is considered to have the effect of a dividend distribution for U.S. federal income tax purposes, the issue price for U.S. federal income tax purpose of the 2024 Notes (if any) that you receive, whether the Proposed Amendments are approved and become effective and other facts and circumstances. Even if you do not participate in the Exchange Offer, there may be U.S. federal income tax consequences to you if the Proposed Amendments are approved and become effective. Please see Risk Factors Tax Risks and Certain U.S. Federal Income Tax Consequences in this prospectus. Because the U.S. federal income tax consequences of the Exchange Offer are complex, you are urged to consult with your own tax advisor.

Will I lose the right to receive distributions for past periods on any Series G ADSs or Series H ADSs that I tender in the Exchange Offer?

Yes, if you tender Series G ADSs or Series H ADSs in the Exchange Offer, you will lose your right to receive any unpaid distributions on the underlying Series G Preferred Shares or Series H Preferred Shares for periods during which you held such Series G ADSs or Series H ADSs. In addition, if Proposed Amendments governing each such series of Preferred Shares are adopted pursuant to the Consent Solicitation, and the holders of the majority of our outstanding Common Stock approve such amendments, you will lose your right to receive any unpaid distributions for past periods and future periods, even if you did not tender your Series G ADSs or Series H ADSs in the Exchange Offer or you tendered your Series G ADSs and Series H ADSs and a portion of such Series G ADSs or Series H ADSs were returned to you under the proration procedures applicable to the Exchange Offer.

Will the newly issued 2024 Notes received by tendering holders of Series G ADSs or Series H ADSs be freely tradable under the federal securities laws?

The 2024 Notes received in exchange for Series G ADSs and/or Series H ADSs tendered pursuant to the Exchange Offer will not be restricted securities for purposes of the Securities Act and will generally be tradable without regard to any holding period by those tendering holders who are not our affiliates (as the term is defined in the Securities Act). The 2024 Notes issued pursuant to the Exchange Offer to a holder of Series G ADSs and Series H ADSs who is deemed to be our affiliate would constitute control securities and may be sold or transferred only in accordance with the requirements of Rule 144 or other available exemption under the Securities Act.

We do not intend to list the 2024 Notes on the NYSE or any national or regional securities exchange. Therefore, it is unlikely that a trading market for the 2024 Notes will exist upon consummation of the Exchange Offer and we cannot assure you that an active trading market will develop. See Risk Factors Risks Relating to the Exchange Offer and the 2024 Notes There is currently no market for the 2024 Notes and we cannot assure you that an active trading market will develop for the 2024 Notes.

Will the Series G ADSs and Series H ADSs remain listed on the NYSE following the completion of the Exchange Offer?

We expect that the Series G ADSs and Series H ADSs will remain listed on the NYSE if the Exchange Offer is completed, however, the number of outstanding Series G ADSs and Series H ADSs, and likely the trading volume, will be reduced.

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Are you making a recommendation regarding whether I should tender in the Exchange Offer?

No. Neither we, our Board of Directors, the Information Agent, the Exchange Agent, the Depositary, nor any affiliate of any of the foregoing or any other person is making any recommendation as to whether or not you should tender your Series G ADSs or Series H ADSs in the Exchange Offer or which form of consideration you should elect as payment therefor. You must make your own investment decision regarding the Exchange Offer based upon your own assessment of the relative market value of the Series G ADSs or Series H ADSs and the 2024 Notes, your liquidity needs, your investment objectives and any other factors you deem relevant. You should carefully read this entire prospectus before deciding whether or not to tender your Series G ADSs or Series H ADSs. You should consult with your personal financial advisor or other legal, tax or investment professionals regarding your individual circumstances.

What is the maximum number of Series G ADSs or Series H ADSs Navios Holdings will acquire in the Exchange Offer?

We are offering to exchange cash and/or newly issued 2024 Notes for 66 2/3% of each of the outstanding Series G ADSs and Series H ADSs. If all conditions to the Exchange Offer are satisfied or waived, we will acquire up to 946,100 (representing approximately 66 2/3%) of the outstanding Series G ADSs and/or 1,907,600 (representing approximately 66 2/3%) of the outstanding Series H ADSs from tendering holders. You will receive cash in lieu of any entitlement to a fraction of a 2024 Note equal to the principal amount. If more than 66 2/3% of either of the outstanding Series G ADSs or Series H ADSs are tendered in the Exchange Offer, the tender acceptance proration procedures described under Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures will apply to such Series G ADSs or Series H ADSs, as applicable.

When and how will I receive cash and/or the 2024 Notes in exchange for my tendered Series G ADSs or Series H ADSs?

If all terms and conditions for completion of the Exchange Offer are satisfied or waived, we will pay cash and/or issue the 2024 Notes in exchange for up to 66 2/3% of each of the outstanding, validly tendered and not properly withdrawn Series G ADSs or Series H ADSs, promptly after the Expiration Date. We refer to the date on which such exchange is made as the settlement date. The settlement date is expected to be as soon as practicable after the Expiration Date. We currently anticipate the Exchange Offer settlement date will occur on or about March 6, 2019, although the date is subject to change as described in this prospectus. We reserve the right to delay settlement pending receipt of any required governmental or regulatory approvals.

If you are to receive cash for your Series G ADSs or Series H ADSs, we will pay cash by wire transfer to the Exchange Agent, which will then be paid to you. If you are to receive 2024 Notes for your Series G ADSs or Series H ADSs, we will issue the 2024 Notes in exchange for your Series G ADSs and/or Series H ADSs that are validly tendered, not properly withdrawn, and accepted by us by delivering the 2024 Notes to the Exchange Agent, which will act as your agent for purposes of receiving the 2024 Notes from us and delivering the 2024 Notes to you. In all cases, issuance of 2024 Notes in exchange for tendered Series G ADSs or Series H ADSs will be made only after timely receipt by the Exchange Agent of properly tendered Series G ADSs or Series H ADSs and any required documents for such Series G ADSs or Series H ADSs.

See Terms of the Exchange Offer and Consent Solicitation Tender of Series G ADSs or Series H ADSs; Acceptance of Series G ADSs or Series H ADSs.

May I tender only a portion of the Series G ADSs or Series H ADSs that I hold?

Yes. You may choose to tender any or all of your Series G ADSs or Series H ADSs, except to the extent that more than 66 2/3% of the outstanding Series G ADSs and/or Series H ADSs are tendered, your tendered Series G

ADSs or Series H ADSs may be subject to the tender acceptance proration procedure, as described under Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures. In such case, the prorated portion of the Series G ADSs or Series H ADSs in excess of the threshold will be returned to you promptly after the consummation of the Exchange Offer. See Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures.

Furthermore, if the Proposed Amendments with respect to either or both amended and restated certificates of designation are approved pursuant to the Consent Solicitation and by a majority of the holders of the Common Stock, substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods and certain voting rights applicable to the Preferred Shares for which the Proposed Amendments have become effective, and, therefore, any Series G ADSs or Series H ADSs, as applicable, you continue to hold after completion of the Exchange Offer, will be eliminated or amended.

What will happen if I do not tender my Series G ADSs or Series H ADSs or my tendered Series G ADSs or Series H ADSs are prorated and the Exchange Offer is successfully completed?

If the Exchange Offer is successfully completed but you do not tender your Series G ADSs or Series H ADSs or you tendered your Series G ADSs and Series H ADSs and some or all of such Series G ADSs or Series H ADSs were returned to you under the tender acceptance proration procedure applicable to the Exchange Offer (as described under Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures), you will remain a holder of those Series G ADSs or Series H ADSs, and if the Proposed Amendments are adopted pursuant to the Consent Solicitation, and approved by the holders of the majority of our outstanding Common Stock, substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods in the respective certificates of designation will be eliminated and certain voting rights will be amended. In addition the liquidity of the Series G ADSs and Series H ADSs will be reduced and the Series G ADSs or the Series H ADSs also may be delisted from the NYSE if the number of outstanding Series G ADSs and/or Series H ADSs falls below the requirement for such listings.

We currently have no plans or intentions to pay dividends on the Series G Preferred Shares and Series H Preferred Shares or on our Common Stock, however, the Proposed Amendments, if adopted, will provide that we cannot pay a dividend to holders of our Common Stock in respect to any given quarter unless we also pay a dividend to holders of our Series G Preferred Shares and Series H Preferred Shares in respect to such quarter.

Do I need to do anything if I do not wish to tender my Series G ADSs or Series H ADSs?

No. If you do not tender your Series G ADSs or Series H ADSs electronically through DTC s system before the Expiration Date, your ADSs will remain outstanding subject to their terms (as amended pursuant to the Proposed Amendments resulting from the Consent Solicitation, if adopted).

What happens if my Series G ADSs or Series H ADSs are not accepted in the Exchange Offer or if my tendered Series G ADSs or Series H ADSs are subject to proration because more than 66 2/3% of the outstanding class was tendered?

If we decide for any reason not to accept your Series G ADSs or Series H ADSs for exchange, the Series G ADSs or Series H ADSs will be returned to you promptly after the expiration or termination of the Exchange Offer. In the case of Series G ADSs or Series H ADSs tendered by book entry transfer to the Exchange Agent s account at DTC, any unaccepted Series G ADSs or Series H ADSs will be credited to your account at DTC. See Terms of the Exchange Offer and Consent Solicitation Terms of the Exchange Offer.

If the proration procedures relating to the Exchange Offer are applied because more than 66 2/3% of either the Series G ADSs or Series H ADSs were tendered, and you have validly tendered and have not properly withdrawn your Series G ADSs or Series H ADSs, any tendered Series G ADSs and Series H ADSs not accepted for exchange will be returned to you promptly after the consummation of the Exchange Offer. Such returned Series G ADSs and Series H ADSs will be subject to the Proposed Amendments, if adopted.

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What are the conditions to the consummation of the Exchange Offer?

The Exchange Offer and Consent Solicitation are subject to, and conditional upon, the satisfaction or, where permitted, the waiver of, the following conditions:

1. The SEC having declared the registration statement of which this prospectus forms a part effective;

2. no litigation arises regarding the Exchange Offer and/or Consent Solicitation:

   that challenges or seeks to make illegal, materially delay, restrain or prohibit the Exchange Offer or our acceptance of tendered Series G ADSs or Series H ADSs and is likely to be successful; or

   which could have a material adverse effect on us;

3. no governmental authority issues an order or takes any action restraining, enjoining or prohibiting or materially delaying or preventing the consummation of the Exchange Offer;

4. the consummation of the Exchange Offer does not violate any law, rule or regulation applicable to us, including the distribution limitations under Republic of the Marshall Islands law;

5. no law, rule, regulation or governmental order becomes applicable to us or the transactions contemplated by the Exchange Offer that could result, directly or indirectly, in the consequences described under condition 2 above; or

6. no situation arises that could render the delivery of the 2024 Notes in exchange for Series G ADSs or Series H ADSs or the adoption of the Proposed Amendments impermissible under Republic of the Marshall Islands law.

We will, in our reasonable judgment, determine whether each condition to the Exchange Offer has been satisfied or may be waived and whether any such condition(s) should be waived. We may, at our option and sole discretion, waive any such condition, except the condition that the registration statement of which this prospectus forms a part has been declared effective by the SEC. If any condition to the Exchange Offer is unsatisfied on the Expiration Date and we do not or cannot waive such condition, the Exchange Offer will expire and we will not accept the Series G ADSs or Series H ADSs that have been validly tendered. In addition, we reserve the right, in our sole discretion, but subject to applicable law, to terminate the Exchange Offer at any time prior to the Expiration Date.

See Terms of the Exchange Offer and Consent Solicitation Conditions of the Exchange Offer and Terms of the Exchange Offer and Consent Solicitation Extension, Termination and Amendment.

When will the Exchange Offer expire?

The Exchange Offer is currently scheduled to expire at 5:00 p.m., New York City Time, on March 1, 2019, the Expiration Date. We may, however, extend the Exchange Offer with respect to one or both series of ADSs from time to time in our discretion until all the conditions to the Exchange Offer with respect to one or both series of ADSs have been satisfied or waived, or terminate the Exchange Offer with respect to one or both series of ADSs at any time prior to the Expiration Date in our sole discretion and subject to applicable law. We will also extend the Expiration Date if required by applicable law or regulation.

DTC and its direct and indirect participants will establish their own cutoff dates and times to receive instructions to tender in this Exchange Offer, which will be earlier than the Expiration Date. You should contact your broker or other securities intermediary to determine the cutoff date and time applicable to you. In addition:

- the Exchange Agent must receive, before the Expiration Date, a timely confirmation of a book-entry transfer of the tendered outstanding Series G ADSs and Series H ADSs into the Exchange Agent s account at DTC according to the procedure for book-entry transfer described below; or

- the holder must comply with the guaranteed delivery procedures described below.

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See Terms of the Exchange Offer and Consent Solicitation Extension, Termination and Amendment and Terms of the Exchange Offer and Consent Solicitation Guaranteed Delivery Procedure.

Under what circumstances may the Exchange Offer be terminated, and what happens to my tendered Series G ADSs and/or Series H ADSs if that occurs?

The Exchange Offer with respect to one or both series of ADSs may be terminated if the conditions to the Exchange Offer with respect to one or both series of ADSs are not satisfied or (where within Navios Holdings discretion) waived. In addition, we reserve the right, in our sole discretion, but subject to applicable law, to terminate the Exchange Offer with respect to one or both series of ADSs at any time prior to the Expiration Date.

If the Exchange Offer with respect to one or both series of ADSs is terminated and you previously have tendered Series G ADSs or Series H ADSs, those Series G ADSs and/or Series H ADSs will be credited back to an appropriate account promptly following the termination of the Exchange Offer without expense to you.

See Terms of the Exchange Offer and Consent Solicitation Tender of Series G ADSs or Series H ADSs; Acceptance of Series G ADSs or Series H ADSs.

How will I be notified if the Exchange Offer and Consent Solicitation are extended, amended or terminated?

If the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs are extended, amended or terminated, we will promptly make a public announcement by issuing a press release. In the case of an extension, the announcement will be issued no later than 9:00 a.m., New York City Time, on the next business day after the previously scheduled Expiration Date.

See Terms of the Exchange Offer and Consent Solicitation Extension, Termination and Amendment.

Will I have to pay any fees or commissions for participating in the Exchange Offer?

You will not pay any fees to Navios Holdings, the Exchange Agent, the Information Agent or the Depositary to participate in the Exchange Offer. Any fees due to the Depositary for cancellation of tendered Series G ADSs or Series H ADSs will be paid by Navios Holdings. If you hold Series G ADSs or Series H ADSs through a broker or other securities intermediary, and your broker or other securities intermediary tenders the Series G ADSs or Series H ADSs on your behalf, your broker, dealer or other nominee may charge you a fee for doing so. You should consult your broker, dealer or other nominee to determine whether any charges will apply.

See Terms of the Exchange Offer and Consent Solicitation Terms of the Exchange Offer and Terms of the Exchange Offer and Consent Solicitation Expenses.

How do I tender my Series G ADSs or Series H ADSs?

Series G ADSs or Series H ADSs held in a securities account with a broker or other securities intermediary can be tendered by your broker or other securities intermediary through DTC upon your request.

If you tender your Series G ADSs or Series H ADSs without indicating the number of ADSs being tendered or the consideration you wish to receive in exchange for the Series G ADSs or Series H ADSs that you tender, it will be assumed that you are electing to tender all of the Series G ADSs or Series H ADSs held by you for 2024 Notes.

If you have questions, please call the Information Agent at the toll-free number on the back cover of this prospectus.

See Terms of the Exchange Offer and Consent Solicitation Procedure for Tendering.

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If I recently purchased Series G ADSs or Series H ADSs, can I still tender my Series G ADSs or Series H ADSs in the Exchange Offer?

Yes. If you have recently purchased Series G ADSs or Series H ADSs, you may tender those Series G ADSs or Series H ADSs in the Exchange Offer but you must make sure that your purchase transaction settles prior to the Expiration Date or you must comply with the guaranteed delivery procedures. See Terms of the Exchange Offer and Consent Solicitation Guaranteed Delivery Procedure.

What must I do if I want to withdraw my Series G ADSs or Series H ADSs from the Exchange Offer?

You may withdraw previously tendered Series G ADSs or Series H ADSs at any time before the expiration of the Exchange Offer. Any Series G ADSs or Series H ADSs not accepted will be credited back to the appropriate account promptly following the expiration or termination of the Exchange Offer. In addition, after the expiration of the Exchange Offer, you may withdraw any Series G ADSs or Series H ADSs that you tendered that are not accepted by us for exchange after the expiration of 40 business days following commencement of the Exchange Offer. See Terms of the Exchange Offer and Consent Solicitation Withdrawal of Tenders and Revocation of Corresponding Consents.

A withdrawal of your Series G ADSs or Series H ADSs will be effective if you and your broker or other securities intermediary comply with the appropriate procedures of DTC s automated system prior to the expiration of the Exchange Offer or after the expiration of 40 business days following the commencement of the Exchange Offer. Any notice of withdrawal must identify the Series G ADSs or Series H ADSs to be withdrawn, including the name and number of the account at DTC to be credited and otherwise comply with the procedures of DTC. Your broker or other securities intermediary can assist you with this process.

See Terms of the Exchange Offer and Consent Solicitation Withdrawal of Tenders and Revocation of Corresponding Consents.

Who can answer questions concerning the Exchange Offer and Consent Solicitation?

Requests for assistance in connection with the tender of your Series G ADSs or Series H ADSs pursuant to the Exchange Offer may be directed to the Information Agent at the address set forth on the back cover of this prospectus or by telephone toll free at (888) 566-3252.

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PROSPECTUS SUMMARY

This summary highlights information contained in this prospectus and does not contain all of the information that you should consider in deciding whether to participate in the Exchange Offer and Consent Solicitation. Before participating in the Exchange Offer and Consent Solicitation, you should carefully read this entire prospectus, including the financial and business information and risk factors set forth in Annex A and Annex B to this prospectus, and the information in Risk Factors and Cautionary Note Regarding Forward-Looking Statements in this prospectus.

Business Overview

Navios Holdings is a global, vertically integrated seaborne shipping and logistics company focused on the transport and transshipment of dry bulk commodities including iron ore, coal and grain. For over 60 years, Navios Holdings has had an in-house ship management expertise that has worked with producers of raw materials, agricultural traders and exporters, industrial end-users, ship owners, and charterers. Navios Holdings current core fleet (excluding the Navios Logistics fleet), the average age of which is approximately 7.9 years, basis fully delivered fleet, consists of a total of 67 vessels, aggregating approximately 6.9 million dwt. Navios Holdings owns 13 Capesize vessels (169,000-182,000 dwt), 11 modern Ultra Handymax vessels (50,000-59,000 dwt), 10 Panamax vessels (74,000-85,000 dwt) and one Handysize vessel. It also time charters-in and operates a fleet of three Ultra Handymax, one Handysize, 21 Panamax, and seven Capesize vessels under long-term time charters. Navios Holdings has options to acquire 24 time chartered-in vessels (on one of which Navios Holdings holds an initial 50% purchase option).

Recent Developments

Fleet Update

On December 6, 2018, Navios Holdings completed the sale to an unrelated third party of the Navios Magellan, a 2000-built Panamax vessel of 74,333 dwt, for a total net sale price of $7.0 million paid in cash.

In November 2018, two Ultra-Handymax chartered-in vessels of Navios Holdings were redelivered to owners.

In October 2018, Navios Holdings paid $2.8 million, representing a scheduled deposit for the option to acquire a 82,000 dwt newbuilding bulk carrier vessel, which in January 2018, Navios Holdings agreed to charter-in under a ten year bareboat contract.

Navios Acquisition Agreement to acquire Navios Midstream

On October 8, 2018 Navios Midstream and Navios Acquisition announced that they entered into a definitive merger agreement under which Navios Acquisition will acquire all of the publicly held units of Navios Midstream in exchange for shares of Navios Acquisition.

The conflicts committee of the board of directors of Navios Midstream negotiated the transaction on behalf of Navios Midstream and its public unitholders. The merger closed on December 13, 2018.

Reverse stock split

On December 24, 2018 Navios Holdings announced that a one-for-ten reverse split of its common stock was approved by the company s stockholders at its annual regular meeting held December 21, 2018. The reverse stock split was effected on January 3, 2019. The common stock began trading on January 3, 2019 on a split-adjusted basis on the NYSE, under the same ticker symbol, NM.

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Litigation Relating to the Exchange Offer and Consent Soliciation

On January 23, 2019, a putative class action complaint was filed against Navios Holdings and five of its directors in the United States District Court for the Southern District of New York by a purported holder of Series G ADSs and Series H ADSs. The complaint asserts claims for alleged breaches of fiduciary duties. The complaint seeks, among other things, unspecified monetary damages, a declaration that the defendants breached their fiduciary duties, a declaration that the consent solicitation is invalid, and an award of plaintiff s costs. We believe that the asserted claims are without merit and intend to vigorously defend against the complaint.

Principal Executive Offices

The legal and commercial name of Navios Holdings is Navios Maritime Holdings Inc. Navios Holdings office and principal place of business is located at 7 Avenue de Grande Bretagne, Office 11B2, Monte Carlo, MC 98000 Monaco, and its telephone number is (011) + (377) 9798-2140. Navios Holdings is a corporation incorporated under the BCA and the laws of the Republic of the Marshall Islands. Trust Company of the Marshall Islands, Inc. serves as Navios Holdings agent for service of process, and Navios Holdings registered address, as well as address of its agent for service of process, is Trust Company Complex, Ajeltake Island P.O. Box 1405, Majuro, Marshall Islands MH96960. Our website address is https://www.navios.com. **Our website and the information contained on our website are not part of this prospectus.** Our Common Stock is listed on the NYSE under the symbol NM .

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THE EXCHANGE OFFER

The following is a summary of the terms of the Exchange Offer and Consent Solicitation being provided for your convenience. It highlights certain material information in this prospectus, but before you make any decision with respect to the Exchange Offer and Consent Solicitation, we urge you to read carefully this entire prospectus, including the Annexes, the section entitled Risk Factors and the Comparison of Rights Between the Preferred Shares and the 2024 Notes. See Terms of the Exchange Offer and Consent Solicitation.

Offeror and Issuer	Navios Maritime Holdings Inc., a Republic of the Marshall Islands corporation
Series G ADSs Outstanding	1,419,055
Series H ADSs Outstanding	2,861,128
The Exchange Offer	We are offering to exchange (1) cash; and/or (2) newly issued 2024 Notes, on the terms and conditions set forth in this prospectus, for (1) 946,100 Series G ADSs and (2) 1,907,600 Series H ADSs. For additional information regarding the terms of the 2024 Notes, see Description of Notes. If all conditions to the Exchange Offer are satisfied or waived as they relate to the Series G ADSs, we will acquire 946,100 (representing approximately 66 2/3%) of the Series G ADSs and/or if all conditions to the Exchange Offer are satisfied or waived as they relate to the Series H ADSs, we will acquire 1,907,600 (representing approximately 66 2/3%) of the Series H ADSs. If more than 946,100 Series G ADSs and/or more

than 1,907,600 Series H ADSs are tendered, the tender acceptance proration procedures described under the heading Tender Acceptance Proration Procedures below will apply.

The Exchange Offer is being made exclusively to existing holders of Series G ADSs and/or Series H ADSs. The record date for participating in the Exchange Offer and Consent Solicitation is the Expiration Date.

Exchange Offer Consideration

Series G ADSs

We are offering to exchange either (a) $7.25 and/or (b) $8.28 principal amount of 9.75% Senior Notes due 2024, per Series G ADS.

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	Series H ADSs
	We are offering to exchange either (a) $7.16 and/or (b) $8.19 principal amount of 9.75% Senior Notes due 2024, per Series H ADS.
	See Terms of the Exchange Offer and Consent Solicitation Terms of the Exchange Offer.
	You may elect to tender any portion of your Series G ADSs or Series H ADSs for cash and any portion of your Series G ADSs or Series H ADSs for 2024 Notes, subject to the applicable cash and 2024 Notes caps and related consideration proration procedures. See Terms of the Exchange Offer and Consent Solicitation Consideration Elections and Consideration Proration for additional information.
Tender Acceptance Proration Procedures	Upon the terms and subject to the conditions of the Exchange Offer, we will accept for tender 66 2/3% of the outstanding Series G ADSs and 66 2/3% of the outstanding Series H ADSs. If either Series G ADSs or Series H ADSs are tendered in excess of this limit, they will be subject to the tender acceptance proration procedures outlined below. Any remaining tendered Series G ADSs and Series H ADSs that have not been accepted for exchange as a result of proration will be returned to tendering holders promptly after the consummation of the Exchange Offer.
	Where more than 66 2/3% of the outstanding Series G ADSs are tendered for exchange, the Series G ADSs will be accepted for tender from holders who validly tendered and did not properly withdraw their Series G ADSs on a pro rata basis based on the following calculation (the Series G Prorated Amount): (A) (i) 946,100 (the Series G ADS Proration Threshold) *divided by* (ii) the cumulative number of Series G ADSs actually tendered by holders of the Series G ADSs *multiplied by* (B) the number of Series G ADSs actually tendered by the relevant holder of the Series G ADSs.
	Where more than 66 2/3% of the outstanding Series H ADSs are tendered for exchange, the Series H ADSs will be accepted for tender from holders who validly tendered and did not properly withdraw their Series H ADSs on a pro rata basis based on the following calculation (the Series H Prorated Amount): (A) (i) 1,907,600 (the Series H ADS Proration Threshold*) divided by* (ii) the cumulative number of Series H ADSs actually tendered by holders of the Series H ADSs *multiplied by*

(B) the number of Series H ADSs actually tendered by the relevant holder of the Series H ADSs.

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	In applying the proration procedure to the individual tenders made by holders of the Series G ADSs or Series H ADSs, including DTC participants, the Exchange Agent may make adjustments approved by the Navios Holdings, up or down, so that no fraction of an ADS is purchased from a holder of Series G ADSs or Series H ADSs, including any DTC participant.
	See Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures.
Guaranteed Delivery Procedures	If you wish to tender your Series G ADSs and/or Series H ADSs, but cannot properly do so prior to the Expiration Date, you may tender your Series G ADSs and/or Series H ADSs in accordance with the guaranteed delivery procedures described in Terms of the Exchange Offer and Consent Solicitation Procedure for Tendering and Terms of the Exchange Offer and Consent Solicitation Guaranteed Delivery Procedures.
Consent Solicitation	We are seeking the consent of holders of each of the Series G ADSs and the Series H ADSs to the Proposed Amendments.
	The tender by a holder of Series G ADSs or Series H ADSs and acceptance by us of such Series G ADSs or Series H ADSs pursuant to the Exchange Offer will constitute the granting of consent by such holder to the Proposed Amendments, as applicable. If 66 2/3% of either of the Series G ADSs or Series H ADSs consent to the Proposed Amendments, such consent will be provided as an instruction to The Bank of New York Mellon, the Depositary, as the only holder of Preferred Shares, to consent in favor of the Proposed Amendments with respect to the Preferred Shares underlying the tendered ADSs. Consents of holders of at least 66 2/3% of the outstanding Series G Preferred Shares must be received in order to amend and restate the certificate of designation under which the Series G Preferred Shares were issued. Consents of holders of at least 66 2/3% of the outstanding Series H Preferred Shares must be received in order to amend and restate the certificates of designation under which the Series H Preferred Shares were issued.
	In addition to approval by holders of the Preferred Shares, the amended and restated certificates of designation must also be approved by the holders of the majority of our outstanding Common Stock before the amendments can become effective. If we complete the Exchange Offer and Consent Solicitation, we intend to seek the approval of our holders of Common Stock at a special meeting of stockholders which we intend to hold following the consummation of the Exchange Offer and Consent

	Solicitation.
Proposed Amendments	The Proposed Amendments will eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods and amend certain

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	voting rights in our existing Preferred Shares certificates of designation, including: • eliminating the requirement that future unpaid dividends accrue for payment in the future; • eliminating all previously accrued and unpaid dividends on the Preferred Shares and any obligation of Navios Holdings to pay such accrued and unpaid dividends at any time in the future, including on liquidation; • amending the restriction on paying dividends on junior securities from being in effect so long as cumulative dividends on the Preferred Stock are in arrears to only being in effect in any quarter in which a dividend on the Preferred Shares has not been declared or paid in respect of such quarter; • eliminating the increase of the dividend rate on the Preferred Shares in the event Navios Holdings Articles of Incorporation are not amended to permit the holders of the Preferred Shares to elect a director if and when six or more quarterly dividends are in arrears; • eliminating the requirement that, without the affirmative vote or consent of the holders of at least 66 2/3% of the outstanding series of Preferred Shares, voting as a class together with holders of any other parity securities, if the cumulative dividends payable on outstanding Preferred Shares are in arrears, Navios Holdings shall not issue any parity securities; and • eliminating the requirement that, in the event that full cumulative dividends on the Preferred Shares and any parity securities shall not have been declared or paid and set apart for payment, none of Navios Holdings or any Affiliate of Navios Holdings may repurchase, redeem or otherwise acquire any series of Preferred Shares or parity securities or any junior securities, including Common Stock.
No Recommendation	Neither we, our Board of Directors, the Information Agent, the Exchange Agent, the Depositary, nor any affiliate of any of the foregoing or any other person is making any recommendation as to whether or not you should tender your Series G ADSs and/or Series H ADSs in the Exchange Offer or the form of consideration you should choose to

receive if you tender Series G ADSs and/or Series H ADSs in the Exchange Offer. You must make your own investment decision regarding the Exchange Offer based upon your own assessment of the market value of the Series G ADSs or Series H ADSs and the 2024 Notes, your liquidity needs, your investment objectives and any other factors you deem relevant.

You should consider carefully all of the information set forth in this prospectus and, in particular, you should evaluate the specific factors set forth under Risk Factors in this prospectus and in

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	Annex A to this prospectus before deciding whether to participate in the Exchange Offer and Consent Solicitation.
Conditions to Completion of the Exchange Offer and Consent Solicitation	The completion of the Exchange Offer and Consent Solicitation are subject to certain additional conditions. See The Exchange Offer and Consent Solicitation Conditions of the Exchange Offer and Terms of the Exchange Offer and Consent Solicitation Proposed Amended and Restated Certificates of Designation Sought in the Consent Solicitation.
Expiration of the Exchange Offer	The Exchange Offer and Consent Solicitation for the Series G ADSs and Series H ADSs will expire at 5:00 p.m., New York City Time, on March 1, 2019, unless extended or earlier terminated. DTC and its direct and indirect participants will establish their own cutoff dates and times to receive instructions to tender in the Exchange Offer, which will be earlier than the Expiration Date. You should contact your broker or other securities intermediary to determine the cutoff date and time applicable to you.
Closing Date	The closing date will be promptly after the Expiration Date. Assuming the Exchange Offer and Consent Solicitation is not extended, we expect the closing date will be on or about March 6, 2019.
How to Tender Your Series G ADSs or Series H ADSs	Series G ADSs or Series H ADSs held in a securities account with a broker or other securities intermediary can be tendered by your broker or other securities intermediary through DTC upon your request. If you tender your Series G ADSs or Series H ADSs without indicating the consideration you wish to receive in exchange for the Series G ADSs or Series H ADSs that you tender, it will be assumed that you are electing to tender all of your Series G ADSs or Series H ADSs tendered for 2024 Notes. If you have questions, please call the Information Agent at the toll-free number below. See Terms of the Exchange Offer and Consent Solicitation Procedure for Tendering.
Fractional Interest in the 2024 Notes	Fractional interest in the 2024 Notes will not be issued in exchange for Series G ADSs or Series H ADSs. Instead, any holder who would otherwise receive a fractional interest in the 2024 Notes will receive a cash payment equal to the principal amount of the fractional interest.

See Terms of the Exchange Offer and Consent Solicitation Terms of the Exchange Offer and Terms of the Exchange Offer and Consent Solicitation Fractional 2024 Notes.

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Withdrawal of Tendered Series G ADSs or Series H ADSs	You may withdraw previously tendered Series G ADSs or Series H ADSs at any time before the Expiration Date. Any Series G ADSs or Series H ADSs not accepted will be credited back to the appropriate account promptly following the expiration or termination of the Exchange Offer. In addition, after the expiration of the Exchange Offer, you may withdraw any Series G ADSs or Series H ADSs that you tendered that are not accepted by us for exchange after the expiration of 40 business days following commencement of the Exchange Offer. See Terms of the Exchange Offer and Consent Solicitation Withdrawal of Tenders and Revocation of Corresponding Consents.
Consequences of Not Exchanging ADSs	If you currently hold Series G ADSs and Series H ADSs and do not tender them, or you tendered your Series G ADSs and Series H ADSs and some of such Series G ADSs or Series H ADSs were returned to you under the tender acceptance proration procedures applicable to the Exchange Offer, then, following the settlement date, your unexchanged ADSs will continue to be outstanding according to their terms (as amended pursuant to any amendments resulting from the Consent Solicitation). Moreover, if we complete the Exchange Offer, the liquidity of any Series G ADSs or Series H ADSs that remain outstanding after settlement of the Exchange Offer may be adversely affected and the value of the Series G ADSs or Series H ADSs may otherwise be affected by the completion of the Exchange Offer.
Amendment and Termination	We may terminate the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs if the conditions to the Exchange Offer are not met on or prior to the Expiration Date. We reserve the right, subject to applicable law, (i) to waive any and all of the conditions of the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs prior to the Expiration Date or (ii) to amend the terms of the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs. In the event that the Exchange Offer and Consent Solicitation are terminated, withdrawn or otherwise not consummated prior to the Expiration Date, no 2024 Notes will be issued and no cash will become payable to holders who have tendered their Series G or Series H ADSs. In any such event, the Series G ADSs or Series H ADSs previously tendered pursuant to the Exchange Offer will be promptly returned to the tendering holders and the Proposed Amendments will not become effective. See Terms of the Exchange and Consent Solicitation Extension, Termination and Amendment.
Use of Proceeds	We will not receive any cash proceeds from the Exchange Offer. In consideration for the cash consideration and/or the issuance of up to $15.6 million aggregate principal amount of 2024 Notes, we will receive up to 66 2/3% of each of the outstanding Series G ADSs and Series H

ADSs validly tendered and accepted in the Exchange Offer.

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	The Series G ADSs and Series H ADSs acquired by us pursuant to the Exchange Offer will be cancelled upon receipt thereof.
Certain U.S. Federal Income Tax Consequences	See Certain U.S. Federal Income Tax Consequences.
Appraisal Rights	Under Republic of the Marshall Islands law, holders of Preferred Shares that do not consent to the Proposed Amendments have a right to dissent from the Proposed Amendments and to receive payment for their Preferred Shares equal to the fair value of such shares, as determined by the High Court of the Republic of the Marshall Islands. However, the Depositary will not exercise those appraisal rights on behalf of a holder of Series G ADSs or Series H ADSs, even if requested to do so. In order for holders of Series G ADSs or Series H ADSs to exercise their appraisal rights, they would have to surrender their Series G ADSs or Series H ADSs as soon as possible with ample time to become a registered holder of Preferred Shares not later than March 1, 2019. See Terms of the Exchange Offer and Consent Solicitation Appraisal Rights.
Information Agent	Georgeson LLC
Exchange Agent	The Bank of New York Mellon
Depositary	The Bank of New York Mellon
Soliciting Dealer Fee	With respect to any tender and acceptance of a Series G ADS or a Series H ADS, we will pay a soliciting dealer a fee of 2.0% of the original liquidation preference ($25.00) applicable to each Series G ADS and Series H ADS tendered on the terms and conditions set forth in the prospectus. See Terms of the Exchange Offer and Consent Solicitation Soliciting Dealer Fee.
Additional Documentation; Further Information; Assistance	Any requests for assistance concerning the Exchange Offer may be directed to the Information Agent at the address set forth on the back cover of this prospectus or by telephone toll free at (888) 566-3252. Beneficial owners may also contact their broker or other securities intermediary.
	Any requests for additional copies of this prospectus may be directed to the Information Agent at the address set forth on the back cover of this

prospectus or by telephone toll free at (888) 566-3252.

You should read this entire prospectus carefully before deciding whether or not to tender your Series G ADSs and/or Series H ADSs. You should consult with your personal financial advisor or other legal, tax or investment professional(s) regarding your individual circumstances.

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SUMMARY DESCRIPTION OF NOTES

The following summary contains basic information about the 2024 Notes and is not intended to be complete. It may not contain all the information that is important to you. For a more complete understanding of the 2024 Notes, you should read the section of this prospectus entitled Description of Notes.

Issuer	Navios Maritime Holdings Inc.
Securities Offered	Up to $15.6 million principal amount of 9.75% Senior Notes due 2024, assuming no cash consideration elections.
Issue Price	100%.
Maturity Date	April 15, 2024.
Interest	9.75% per annum on the principal amount, payable semi-annually in arrears in cash on April 15 and October 15 of each year, commencing on October 15, 2019. Interest on the 2024 Notes will accrue from and including the date that the 2024 Notes are issued.
Guarantees	None.
Ranking	The 2024 Notes will be our senior unsecured general obligations. Accordingly, they will rank: senior in right of payment to any of our existing and future debt that expressly provides that it is subordinated to the 2024 Notes; *pari passu* in right of payment with all of our existing and future senior obligations; structurally subordinated in right of payment to the obligations of our subsidiaries; and effectively subordinated in right of payment to any existing and future obligations of Navios Holdings that are secured by property or assets

	that do not secure the 2024 Notes, including the 2022 Senior Secured Notes and the 2022 Notes, to the extent of the value of any such property and assets securing such other obligations.
Sinking Fund	None.
Redemption	We will have the option to redeem the 2024 Notes, in whole or in part, at our option at any time, at a redemption price equal to 100% of the principal amount of the 2024 Notes to be redeemed, plus accrued interest on the 2024 Notes to be redeemed to, but excluding, the date on which the 2024 Notes are to be redeemed.
Events of Default	If an event of default on the 2024 Notes has occurred and is continuing, the aggregate principal amount of the 2024 Notes, plus any accrued and unpaid interest, may be declared immediately due and payable. These amounts automatically become due and payable upon certain events of default. See Description of Notes Events of Default and Remedies.

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Restrictive Covenants	None.
United States Federal Income Tax Consequences	See Certain U.S. Federal Income Tax Consequences.
No Assurance of an Active Trading Market	We cannot assure you that an active and liquid market for the 2024 Notes will develop or be maintained. If an active and liquid market for the 2024 Notes does not develop or is not maintained, the market price of the 2024 Notes may be adversely affected.
Risk Factors	You should consider carefully all of the information set forth in this prospectus and, in particular, the information under the heading Risk Factors in this prospectus and in Annex A before participating in the Exchange Offer and Consent Solicitation and electing the form of consideration to be paid.
Trustee	Wilmington Trust, National Association
Governing Law	The governing law for the 2024 Notes and the indenture will be New York law.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OTHER DATA

The summary consolidated financial and other data of Navios Holdings for the years ended December 31, 2017, 2016 and 2015 is derived from our audited consolidated financial statements included in this prospectus in Annex A, which have been audited by an independent registered public accounting firm. The summary consolidated statement of comprehensive (loss)/income data and other financial data of Navios Holdings for and as of the nine month periods ended September 30, 2018 and September 30, 2017 is derived from our unaudited consolidated financial statements included in this prospectus in Annex B. The summary consolidated balance sheet data as of September 30, 2017 have been derived from our unaudited interim financial statements, which are not included in this prospectus. The information is only a summary and should be read in conjunction with the historical financial statements and related notes included in the annexes to this prospectus. In the opinion of management, the unaudited financial statements referenced above include all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of the results for the periods presented. The information below should be read in conjunction with Item 5. Operating and Financial Review and Prospects and the consolidated financial statements, related notes and other financial information included in our Annual Report on Form 20-F included in this prospectus as Annex A and our Form 6-K included in this prospectus as Annex B.

The historical results included below and elsewhere in this prospectus are not necessarily indicative of the future performance of Navios Holdings.

	Nine Months Ended		Fiscal Years Ended		
(in thousands of U.S. dollars)	September 30, 2018 (unaudited)	September 30, 2017 (unaudited)	December 31, 2017	December 31, 2016	December 31, 2015
Statement of Comprehensive (Loss)/income Data					
Revenue	$ 390,386	$ 334,519	$ 463,049	$ 419,782	$ 480,820
Administrative fee revenue from affiliates	21,488	16,942	23,667	21,799	16,177
Time charter, voyage and logistics business expenses	(155,363)	(161,628)	(213,929)	(175,072)	(247,882)
Direct vessel expenses	(73,756)	(90,566)	(116,713)	(127,396)	(128,168)
General and administrative expenses incurred on behalf of affiliates	(21,488)	(16,942)	(23,667)	(21,799)	(16,177)
General and administrative expenses	(21,757)	(19,203)	(27,521)	(25,295)	(34,183)
Depreciation and amortization	(75,247)	(77,893)	(104,112)	(113,825)	(120,310)
Interest expense and finance cost, net	(97,797)	(83,812)	(114,780)	(108,692)	(110,781)
Impairment losses	(16,070)	(14,239)	(50,565)		
Gain/(loss) on bond and debt extinguishment	6,464	1,715	(981)	29,187	
Other (expense)/income, net	(8,928)	(4,790)	(6,826)	5,206	(30,201)
	$ (52,068)	**$ (115,897)**	**$ (172,378)**	**$ (96,105)**	**$ (190,705)**

Loss before equity in net earnings of affiliated companies					
Equity in net (losses)/earnings of affiliated companies	(13,720)	2,208	4,399	(202,779)	61,484
Losses before taxes	**$ (65,788)**	**$ (113,689)**	**$ (167,979)**	**$ (298,884)**	**$ (129,221)**
Income tax benefit/(expense)	1,324	562	3,192	(1,265)	3,154
Net loss	**$ (64,464)**	**$ (113,127)**	**$ (164,787)**	**$ (300,149)**	**$ (126,067)**

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(in thousands of U.S. dollars)	Nine Months Ended September 30, 2018 (unaudited)	Nine Months Ended September 30, 2017 (unaudited)	Fiscal Years Ended December 31, 2017	Fiscal Years Ended December 31, 2016	Fiscal Years Ended December 31, 2015
Less: Net income attributable to the noncontrolling interest	(3,501)	(1,182)	(1,123)	(3,674)	(8,045)
Net loss attributable to Navios Holdings common stockholders	**$ (67,965)**	**$ (114,309)**	**$ (165,910)**	**$ (303,823)**	**$ (134,112)**
Loss attributable to Navios Holdings common stockholders, basic and diluted	**$ (75,644)**	**$ (121,049)**	**$ (175,298)**	**$ (273,105)**	**$ (150,314)**
Basic and diluted net loss per share attributable to Navios Holdings common stockholders	**$ (0.63)**	**$ (1.04)**	**$ (1.50)**	**$ (2.54)**	**$ (1.42)**
Weighted average number of shares, basic and diluted	**$ 119,423,025**	**$ 116,260,640**	**$ 116,673,459**	**$ 107,366,783**	**$ 105,896,235**
Balance Sheet Data					
(at period end)					
Current assets, including cash and cash equivalents and restricted cash	$ 276,738	$ 232,865	$ 256,076	$ 273,140	$ 302,959
Total assets	2,488,857	2,660,607	2,629,981	2,752,895	2,958,813
Total long-term indebtedness, including current portion	1,599,331	1,643,215	1,682,488	1,651,095	1,581,308
Navios Holdings stockholders equity	$ 451,633	$ 566,687	$ 516,098	$ 678,287	$ 988,960
Other Financial Data					
Net cash provided by operating activities	$ 39,591	$ 33,578	$ 50,784	$ 36,920	$ 43,478
Net cash provided by/(used in) investing activities	51,870	(32,987)	(42,365)	(150,565)	(36,499)
Net cash (used in)/provided by financing activities	(82,670)	(22,730)	(16,779)	86,225	(91,123)
Book value per common share	3.62	4.74	4.29	5.79	8.95
Cash dividends per common share					0.17
Cash dividends per preferred share				74.4	216.7
					19,325

Cash paid for Common Stock dividend declared										
Cash paid for preferred stock dividend declared								3,681		16,025
Adjusted EBITDA	$	118,066	$	61,144	$	68,813	$	(62,827)	$	112,756

(1) EBITDA represents net (loss)/income attributable to Navios Holdings common stockholders before interest and finance costs, before depreciation and amortization and before income taxes. Adjusted EBITDA represents EBITDA before stock based compensation. We use Adjusted EBITDA as a liquidity measure and reconcile Adjusted EBITDA to net cash provided by operating activities, the most comparable U.S. GAAP liquidity measure. Adjusted EBITDA is calculated as follows: net cash provided by operating activities adding back,

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when applicable and as the case may be, the effect of (i) net increase/(decrease) in operating assets, (ii) net (increase)/decrease in operating liabilities, (iii) net interest cost, (iv) deferred finance charges and gains/(losses) on bond and debt extinguishment, (v) (provision)/recovery for losses on accounts receivable, (vi) equity in affiliates, net of dividends received, (vii) payments for drydock and special survey costs, (viii) noncontrolling interest, (ix) gain/ (loss) on sale of assets/ subsidiaries, (x) unrealized (loss)/gain on derivatives, and (xi) loss on sale and reclassification to earnings of available-for-sale securities and impairment charges. Navios Holdings believes that Adjusted EBITDA is a basis upon which liquidity can be assessed and represents useful information to investors regarding Navios Holdings ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. Navios Holdings also believes that Adjusted EBITDA is used (i) by prospective and current lessors as well as potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

Adjusted EBITDA has limitations as an analytical tool, and therefore, should not be considered in isolation or as a substitute for the analysis of Navios Holdings results as reported under U.S. GAAP. Some of these limitations are: (i) Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs; (ii) Adjusted EBITDA does not reflect the amounts necessary to service interest or principal payments on our debt and other financing arrangements; and (iii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. Adjusted EBITDA does not reflect any cash requirements for such capital expenditures. Because of these limitations, among others, Adjusted EBITDA should not be considered as a principal indicator of Navios Holdings performance. Furthermore, our calculation of Adjusted EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

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The following table reconciles net cash provided by operating activities, as reflected in the consolidated statements of cash flows, to Adjusted EBITDA:

Adjusted EBITDA Reconciliation from Cash from Operations

	Nine Months Ended		Fiscal Years Ended		
(in thousands of U.S. dollars)	**September 30, 2018 (unaudited)**	**September 30, 2017 (unaudited)**	**December 31, 2017**	**December 31, 2016**	**December 31, 2015**
Net cash provided by operating activities	$ 39,591	$ 33,578	$ 50,784	$ 36,920	$ 43,478
Net increase/(decrease) in operating assets	13,742	(30,954)	(25,052)	20,599	(43,042)
Net increase in operating liabilities	(3,095)	(12,103)	(20,814)	(38,928)	(39,288)
Payments for drydock and special survey costs	6,189	10,024	10,824	11,096	24,840
Net interest cost	91,834	79,518	108,389	103,039	106,257
(Provision)/recovery for losses on accounts receivable	(418)	276	(269)	(1,304)	(59)
Impairment losses	(16,070)	(14,239)	(50,565)		
Gain on sale of assets	28	1,075	1,064		
Gain on bond and debt extinguishment	6,464	1,715	185	29,187	
(Losses)/earnings in affiliates and joint ventures, net of dividends received	(16,698)	(6,564)	(4,610)	(219,417)	30,398
Reclassification to earnings of available-for-sale securities				(345)	(1,783)
Noncontrolling interest	(3,501)	(1,182)	(1,123)	(3,674)	(8,045)
Adjusted EBITDA	**$ 118,066**	**$ 61,144**	**$ 68,813**	**$ (62,827)**	**$ 112,756**

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RISK FACTORS

You should carefully consider the risk factors set forth below as well as the risk factors set forth in Annex A to this prospectus, and the other information contained in this prospectus before deciding to participate in the Exchange Offer and Consent Solicitation. The risks described below and in Annex A are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. In such a case, you could lose all or part of your investment in the 2024 Notes.

Risks Relating to the Exchange Offer and the 2024 Notes

If you tender Series G ADSs or Series H ADSs, you may subject to proration as to the number of Series G ADSs and/or Series H ADSs we accept and you also may not receive all of your consideration for accepted Series G ADSs and/or Series H ADSs in the form you elect.

Upon the terms and subject to the conditions of the Exchange Offer, we will accept for exchange 946,100 (representing approximately 66 2/3%) of the outstanding Series G ADSs and/or 1,907,600 (representing approximately 66 2/3%) of the outstanding Series H ADSs. If either or both Series G ADSs and/or Series H ADSs are validly tendered and not properly withdrawn in excess of this limit, they will be subject to the tender acceptance proration procedures described in this prospectus. Any Series G ADSs or Series H ADSs in excess of the number of Series G ADSs or Series H ADSs sought in the Exchange Offer will be not be accepted for exchange and will be returned to tendering holders promptly after the consummation of the Exchange Offer. See Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedures.

In addition, the consideration to be received for the Series G ADSs or Series H ADSs accepted by us for exchange shall be at the holder s election, provided that, no more than 50% of the total number of Series G ADSs and no more than 50% of the total number of Series H ADSs tendered will receive cash consideration. If Series G ADSs and/or Series H ADSs are tendered in excess of these cash caps, they will be subject to consideration proration procedures and all such Series G ADSs and/or Series H ADSs in excess of these cash caps will be deemed to have been tendered for, and will automatically receive, 2024 Notes. In addition, no more than $7.8 million of 2024 Notes will be issued as consideration for Series G ADSs and no more than $7.8 million of 2024 Notes will be issued as consideration for Series H ADSs and any Series G ADSs or Series H ADSs tendered in excess of this limitation will be deemed to have made a cash election instead. To the extent that holders of either the Series G ADSs or Series H ADSs made elections that would cause fewer than $7.8 million of 2024 Notes to be issued in respect of such series then unused amounts of 2024 Notes will be allocated to the extent necessary to satisfy elections of 2024 Notes for the other series. Therefore, despite your election, the form of consideration you receive will be dependent on the elections of other holders of Series G ADSs and/or Series H ADSs that also tender their Series G ADSs or Series H ADSs in the Exchange Offer. Accordingly, some of the consideration you receive in the Exchange Offer may differ from the type of consideration you select. See The Exchange Offer Consideration Elections and Consideration Proration.

We have not obtained a third-party determination that the Exchange Offer is fair to holders of Series G ADSs or Series H ADSs and Preferred Shares.

Neither we, our Board of Directors, the Information Agent, the Exchange Agent, the Depositary, nor any affiliate of any of the foregoing or any other person is making any recommendation as to whether or not you should tender your Series G ADSs or Series H ADSs in the Exchange Offer or the form of consideration you should choose to receive if you tender Series G ADSs or Series H ADSs in the Exchange Offer. We have not retained, and do not intend to retain,

any unaffiliated representative to act solely on behalf of the holders of Series G ADSs and Series H ADSs and Preferred Shares for purposes of negotiating the Exchange Offer or preparing a report concerning the fairness of the Exchange Offer. You must make your own independent decision regarding your participation in the Exchange Offer.

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If the Exchange Offer is successfully completed and the Proposed Amendments are adopted, the holders of the remaining Series G ADSs and Series H ADSs will generally no longer have certain voting rights or the protection of restrictive covenants under the respective certificates of designation.

If the Exchange Offer is successfully completed and the Proposed Amendments are adopted pursuant to the Consent Solicitation, and we obtain the vote of a majority of the outstanding Common Stock, substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods will be eliminated and certain voting rights will be amended in the certificates of designation of each of the Preferred Shares. Consequently, substantially all of the protections of holders of the Series G ADSs and Series H ADSs will be eliminated and certain voting rights will be amended. If you do not tender, or if your tender of Series G ADSs or Series H ADSs is subject to proration, and the Exchange Offer and Consent Solicitation is successful and we obtain the vote of a majority of the outstanding Common Stock then the Series G ADSs and/or Series H ADSs that we do not accept, or that are not tendered, will also lose the right to receive any unpaid dividends for past periods and future periods and substantially all of the restrictive covenants and certain voting rights that they previously had. Additionally, the liquidity of the Series G ADSs and Series H ADSs may be reduced.

The indenture governing the 2024 Notes will not contain restrictive covenants and only provides for limited events of default.

The indenture governing the 2024 Notes will not contain any negative covenants, including any restrictions on:

incurring or guaranteeing additional indebtedness;

creating liens on our assets;

making new investments;

engaging in mergers and acquisitions;

paying dividends or redeeming capital stock;

making capital expenditures; or

entering into transactions with affiliates.

There will be no limitation to the amount of indebtedness, including secured indebtedness, that we may incur under the indenture governing the 2024 Notes. While there are restrictive covenants in the terms of our other existing indebtedness, they are subject to significant exceptions and, there is no guarantee that such indebtedness will remain a part of our capital structure in the future, that we will not seek a consent to amend the restrictive covenants contained in such indebtedness or that any refinancing indebtedness will contain the same or similar restrictive covenants as our existing indebtedness. Additionally, the indenture governing the 2024 Notes will not contain any covenants or other

provisions to afford protection to holders of the 2024 Notes in the event of a change of control. Further, the indenture governing the 2024 Notes will only provide for an event of default in the event of non-payment of interest due on or principal due of the 2024 Notes and upon certain events of bankruptcy or insolvency and does not provide for an event of default with respect to any covenants in the indenture, defaults on any other of our existing indebtedness or borrowings or defaults on court judgments that may be rendered in the future. See Description of Notes Events of Default and Remedies. The lack of restrictive covenants and the limited events of default may limit your rights as holder of the 2024 Notes.

The 2024 Notes will not be, guaranteed by any of Navios Holdings subsidiaries or secured by the properties or assets of Navios Holdings or any of Navios Holdings subsidiaries. Accordingly, Navios Holdings secured creditors and Navios Holdings subsidiaries secured and unsecured creditors will have priority over you as a holder of the 2024 Notes with respect to substantially all of our properties, assets and earnings.

The 2024 Notes will not be guaranteed by any of our subsidiaries or secured by any of the properties or assets of Navios Holdings or Navios Holdings subsidiaries. As a consequence, the 2024 Notes will be

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structurally and/or effectively subordinated to substantially all of our existing and future liabilities (other than trade creditors of Navios Holdings) and those of our subsidiaries. Navios Holdings is a holding company without substantial assets other than the equity of its subsidiaries. Claims of creditors of our subsidiaries, including trade creditors, generally will have priority with respect to the properties, assets and earnings of such subsidiaries over our claims or those of our creditors, including you as a holder of the 2024 Notes. In the event that any of our subsidiaries become insolvent, liquidate, reorganize, dissolve or otherwise wind up, the properties, assets and earnings of those subsidiaries will be used first to satisfy the claims of their creditors, trade creditors, banks and other lenders and judgment creditors.

There is currently no market for the 2024 Notes and we cannot assure you that an active trading market will develop for the 2024 Notes.

The 2024 Notes are new securities for which there presently is no established market. Accordingly, we cannot give you any assurance as to the development or liquidity of any market for the 2024 Notes. We do not intend to apply for listing of the 2024 Notes on any securities exchange. Therefore, it is unlikely that a trading market for the 2024 Notes will exist upon consummation of the Exchange Offer.

Even if a limited trading market for the 2024 Notes does develop, you may not be able to sell your 2024 Notes at a particular time, if at all, or you may not be able to obtain the price you desire for your 2024 Notes. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial fluctuations in the price of securities. If the 2024 Notes are traded after their initial issuance, they may trade at a discount from their initial offering price depending on many factors, including prevailing interest rates, the market for similar securities, our credit rating, the interest of securities dealers in making a market for the 2024 Notes, the price of any other securities we issue, our performance, prospects, operating results and financial condition, as well as of other companies in our industry.

The liquidity of, and trading market for the 2024 Notes also may be adversely affected by general declines in the market or by declines in the market for similar securities. Such declines may adversely affect such liquidity and trading markets independent of our financial performance and prospects.

The successful completion of the Exchange Offer and Consent Solicitation will result in an increase in our annual interest expense.

In February 2016, we announced the suspension of payment of quarterly dividends on the Series G ADSs and Series H ADSs. The issuance of the 2024 Notes pursuant to the Exchange Offer will result in us having an obligation to the holders of the 2024 Notes to make a semi-annual, cash interest payment of 9.75% whereas we are not currently under a legal obligation to pay the dividends on the Series G ADSs and Series H ADSs in arrears, or any future dividends, on the Series G ADSs and Series H ADSs. Assuming the Exchange Offer is successful, and we issue the maximum principal amount of 2024 Notes contemplated by this Exchange Offer, assuming no cash consideration elections, our annual interest expense will increase by $1.5 million per annum.

Series G ADSs and Series H ADSs that you continue to hold after the Exchange Offer are expected to become less liquid following the Exchange Offer.

Following consummation of the Exchange Offer, the number of Series G ADSs or Series H ADSs that are publicly traded will be reduced and the trading market for the remaining outstanding Series G ADSs or Series H ADSs may be less liquid and market prices may fluctuate significantly depending on the volume of trading in the Series G ADSs or Series H ADSs. Therefore, holders whose Series G ADSs or Series H ADSs are not repurchased will own a greater

percentage interest in the remaining outstanding Series G ADSs or Series H ADSs following consummation of the Exchange Offer. This may reduce the volume of trading and make it more difficult to buy or sell significant amounts of Series G ADSs or Series H ADSs without affecting the market price. Decreased liquidity may make it more difficult for holders of Series G ADSs or Series H ADSs to sell their Series G ADSs or Series H ADSs.

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If you tender Series G ADSs and/or Series H ADSs in the Exchange Offer, a portion of the Series G ADSs and/or Series H ADSs that you tender may be rejected or subject to proration.

The amount of Series G ADSs and/or Series H ADSs that we intend to accept in the Exchange Offer in exchange for the 2024 Notes is limited to 66 2/3% of each of the Series G ADSs and Series H ADSs. As a result, we may not be able to accept for exchange a portion of the Series G ADSs and/or Series H ADSs that you validly tender and do not properly withdraw in the Exchange Offer and the amount of the Series G ADSs and/or Series H ADSs that you validly tender and do not properly withdraw that we accept may be subject to proration. See Terms of the Exchange Offer and Consent Solicitation Tender Acceptance Proration Procedure. If you tender all of your Series G ADSs and/or all of your Series H ADSs and the Exchange Offer and Consent Solicitation are consummated and the proration procedures are applied, your tendered Series G ADSs and/or Series H ADSs in excess of the proration threshold will be returned to you and such returned Series G ADSs and Series H ADSs will be subject to the Proposed Amendments. Consequently, substantially all of the protections of holders of the Series G ADSs and Series H ADSs will be eliminated. See Risk Factors Risks Relating to the Exchange Offer and the 2024 Notes If the Exchange Offer is successfully completed and the Proposed Amendments are adopted, the holders of the remaining Series G ADSs and Series H ADSs will generally no longer have voting rights or the protection of restrictive covenants under the respective certificates of designation and Risk Factors Risks Relating to Our Series G Preferred Shares and Series H Preferred Shares and the American Depositary Shares.

By participating in the Exchange Offer and tendering your Series G ADSs or Series H ADSs and having such Series G ADSs and Series H ADSs accepted in this Exchange Offer, you will relinquish any appraisal rights you may have under Republic of the Marshall Islands law with respect to the Preferred Shares.

If you participate in the Exchange Offer and we accept your outstanding Series G ADSs or Series H ADSs in exchange for cash consideration and/or the 2024 Notes, you will, as a matter of Marshall Islands law, effective upon our acceptance of your tendered ADSs and without any further action on your part, relinquish any appraisal rights you may have under Republic of the Marshall Islands law with respect to any Series G ADSs or Series H ADSs, and will have thereby automatically withdrawn any outstanding demand for appraisal rights you have made or make with respect thereto. As such, by participating in the Exchange Offer and relinquishing appraisal rights, you are foregoing any potential for such additional value that an appraisal proceeding may determine you would have been entitled to had you asserted your appraisal rights. See Terms of the Exchange Offer and Consent Solicitation Appraisal Rights.

If you have claims against us resulting from your acquisition or ownership of Series G ADSs or Series H ADSs, you will give up those claims if you exchange such ADSs.

By tendering Series G ADSs and/or Series H ADSs in the Exchange Offer, upon closing of the Exchange Offer, holders of the Series G ADSs and Series H ADSs will be deemed to have released and waived any and all claims they, their successors and their assigns have or may have had against:

- us, our subsidiaries, our affiliates and their stockholders, and
- our directors, officers, employees, attorneys, accountants, advisors, agents and representatives, in each case whether current or former, as well as the directors, officers, employees, attorneys, accountants, advisors, agents and representatives of our subsidiaries, our affiliates and our stockholders,

arising from, related to, or in connection with their acquisition or ownership of the Series G ADSs and/or Series H ADSs , unless those claims arise under federal or state securities laws.

Because it is not possible to estimate the likelihood of their success in pursuing any legal claims or the magnitude of any recovery to which they ultimately might be entitled, it is possible that the consideration that the tendering holders receive in the Exchange Offer will have a value less than the value of any legal claims such

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holders are relinquishing. Moreover, holders who do not tender their Series G ADSs and/or Series H ADSs for exchange and former holders who have already sold their Series G ADSs and/or Series H ADSs will continue to have the right to prosecute their claims against us.

Tax Risks

The tax consequences of the Exchange Offer are complex and will vary depending on your particular facts and circumstances.

The U.S. federal income tax consequences to you of participating in the Exchange Offer are complex and will vary depending on whether the Proposed Amendments are approved and become effective, whether you tender all or less than all of your Series G ADSs or Series H ADSs (or a portion of your tendered Series G ADSs or Series H ADSs are returned to you under the tender offer acceptance proration procedures), whether you receive solely 2024 Notes, solely cash or a combination of 2024 Notes and cash, whether your receipt of such consideration is considered to have the effect of a dividend distribution for U.S. federal income tax purposes, the issue price for U.S. federal income tax purpose of the 2024 Notes (if any) that you receive and other facts and circumstances. Even if you do not participate in the Exchange Offer, there may be U.S. federal income tax consequences to you if the Proposed Amendments are approved and become effective.

If you participate in the Exchange Offer and you are a holder that is subject to U.S. federal income taxation, it is possible that you may be required to recognize gain (which may exceed the amount of any cash you receive), but not permitted to recognize loss, for U.S. federal income tax purposes on the exchange of your Series G ADSs or Series H ADSs. If you are permitted to recognize loss, such a loss generally would be a capital loss and would not be utilizable to offset ordinary income that you generally would be required to recognize for U.S. federal income tax purposes if you receive 2024 Notes and the 2024 Notes are issued with original issue discount for U.S. federal income tax purposes. Please see Certain U.S. Federal Income Tax Consequences in this prospectus. Because the U.S. federal income tax consequences of the Exchange Offer are complex, you are urged to consult with your own tax advisor.

The 2024 Notes may not be rated or may receive a lower rating than anticipated.

The 2024 Notes are not rated, and we do not intend to seek a rating on the 2024 Notes. However, if one or more rating agencies rates the 2024 Notes and assigns the notes a rating lower than the rating expected by investors, or reduces their rating in the future, the trading price of the 2024 Notes and the market price of our Common Stock could be harmed. In addition, the trading price of the 2024 Notes is directly affected by market perceptions of our creditworthiness. Consequently, if a credit ratings agency rates any of our debt in the future or downgrades or withdraws any such rating, or puts us on credit watch, the trading price of the 2024 Notes is likely to decline.

The 2024 Notes may be issued with original issue discount for U.S. federal income tax purposes.

If you receive 2024 Notes in the Exchange Offer and you are a holder that is subject to U.S. federal income taxation, your U.S. federal income tax consequences will depend in part on the issue price of the 2024 Notes (as defined in Certain U.S. Federal Income Tax Consequences Tax Consequences of Holding the 2024 Notes Issue Price of the 2024 Notes in this prospectus) for U.S. federal income tax purposes, which is uncertain and will not be determined until after consummation of the Exchange. If the principal amount of the 2024 Notes exceeds their issue price by an amount that equals or exceeds the statutory *de minimis* amount, then the 2024 Notes will be issued with original issue discount (OID) for U.S. federal income tax purposes in an amount equal to such excess. A holder that is subject to U.S. federal income taxation generally will be required to accrue and include OID in its gross income as it accrues as ordinary income using a constant yield method, in advance of the receipt of the cash payment attributable to the OID,

regardless of the U.S. holder s regular method of accounting for U.S. federal income tax purposes. You should review the discussion under Certain U.S.

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Federal Income Tax Consequences Tax Consequences of Holding the 2024 Notes and consult your own tax advisor concerning the tax consequences to you of the acquisition, ownership and disposition of the 2024 Notes in light of your particular facts and circumstances.

Risks Relating to Our Series G Preferred Shares and Series H Preferred Shares and the American Depositary Shares

If the Proposed Amendments are adopted then we will not be obligated to pay accrued and unpaid dividends or future dividends on the Series G Preferred Shares and Series H Preferred Shares.

In February 2016, we announced the suspension of payment of quarterly dividends on the Series G Preferred Shares and Series H Preferred Shares and have not paid a quarterly dividend on the Series G Preferred Shares and Series H Preferred Shares since then. If the Proposed Amendments are adopted then we will no longer be obligated to pay accrued and unpaid dividends or future dividends on the Series G Preferred Shares and Series H Preferred Shares and future unpaid dividends in any quarter will not cumulate. We currently have no plans or intentions to pay dividends on the Series G Preferred Shares and Series H Preferred Shares or on our Common Stock, however, the Proposed Amendments, if adopted, will provide that we cannot pay a dividend to holders of our Common Stock in respect to any given quarter unless we also pay a dividend to holders of our Series G Preferred Shares and Series H Preferred Shares in respect of such quarter. Accordingly, if the Proposed Amendments are adopted then holders of the Series G Preferred Shares and Series H Preferred Shares, including the Series G ADSs and Series H ADSs, may not receive the investment return anticipated.

If the Proposed Amendments are adopted then we will have the ability to repurchase our Common Stock even in the event that dividends with respect to the Series G Preferred Shares and Series H Preferred Shares are unpaid.

If the Proposed Amendments are adopted then we will have the ability to repurchase, redeem or otherwise acquire any series of parity or junior securities, including Common Stock, even in the event that dividends are unpaid with respect to the Series G Preferred Shares and Series H Preferred Shares, including the Series G ADSs and Series H ADSs. Such, repurchase, redemption or acquisition of parity or junior securities, including Common Stock, may reduce the cash and cash equivalents on our balance sheet and could hinder our ability to service our existing indebtedness, repurchase the Series G Preferred Shares and Series H Preferred Shares or pay dividends on equity in the future.

Our Series G Preferred Shares and Series H Preferred Shares are subordinated to our debt obligations, including any new 2024 Notes issued pursuant to this Exchange Offer, and a holder s interests could be diluted by the issuance of additional shares, including additional Series G Preferred Shares and Series H Preferred Shares and by other transactions.

Our Series G Preferred Shares, with a liquidation preference of $2,500.00 per share and our Series H Preferred Shares, with a liquidation preference of $2,500.00 per share, are subordinated to all of our existing and future indebtedness. As of September 30, 2018, our total debt was $1,628.6 million and, assuming the Exchange Offer is consummated and no cash consideration elections are made, we will issue approximately $15.6 million of 2024 Notes. We may incur substantial additional debt from time to time in the future, and the terms of the Series G Preferred Shares and Series H Preferred Shares do not, and will not, limit the amount of indebtedness we may incur. We announced the suspension of dividends on our Common Stock in November 2015 and on the Series G Preferred Shares and Series H Preferred Shares in February 2016. The payment of principal and interest on our debt reduces cash available for distribution to us and on our shares, including the Series G ADSs and Series H ADSs, should such dividends be reinstated. We currently have no plans or intentions to pay dividends on the Series G Preferred Shares and Series H Preferred Shares or on our Common Stock. The Proposed Amendments, if adopted, will provide that unpaid dividends on the Series G

ADSs and Series H ADSs will not cumulate but also that we cannot pay a dividend to holders of our Common Stock in respect to any given quarter

unless we also pay a dividend to holders of our Series G Preferred Shares and Series H Preferred Shares in respect to such quarter. The issuance of additional preferred shares on a parity with or senior to our Series G Preferred Shares and Series H Preferred Shares would dilute the interests of the holders of our Series G Preferred Shares and Series H Preferred Shares, and any issuance of any preferred shares senior to or on parity with our Series G Preferred Shares and Series H Preferred Shares or additional indebtedness could affect our ability to pay dividends on, redeem or pay the liquidation preference on our Series G Preferred Shares and Series H Preferred Shares. No provisions relating to our Series G Preferred Shares and Series H Preferred Shares protect the holders of our Series G Preferred Shares and Series H Preferred Shares in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all our assets or business, which might adversely affect the holders of our Series G Preferred Shares and Series H Preferred Shares.

Our Series G Preferred Shares and Series H Preferred Shares will rank *pari passu* with any other class or series of our capital stock established after the original issue date of the Series G Preferred Shares and Series H Preferred Shares that is not expressly subordinated or senior to the Series G Preferred Shares and Series H Preferred Shares as to the payment of dividends and amounts payable upon liquidation or reorganization.

Our ability to redeem our Series G Preferred Shares and Series H Preferred Shares, and therefore holders ability to receive a return on their investment is limited by the requirements of Republic of the Marshall Islands law.

Republic of the Marshall Islands law provides that we may redeem the Series G Preferred Shares and Series H Preferred Shares only to the extent that assets are legally available for such purposes. Legally available assets generally are limited to our surplus, which essentially represents our retained earnings and the excess of consideration received by us for the sale of shares above the par value of the shares. In addition, under Republic of the Marshall Islands law we may not redeem Series G Preferred Shares and Series H Preferred Shares if we are insolvent or would be rendered insolvent by the payment of such a dividend or the making of such redemption.

The Series G Preferred Shares and Series H Preferred Shares represent perpetual equity interests.

The Series G Preferred Shares and Series H Preferred Shares represent perpetual equity interests in us and, unlike our indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. As a result, holders of the Series G Preferred Shares and Series H Preferred Shares (and accordingly the Series G ADSs and Series H ADSs) may be required to bear the financial risks of an investment in the Series G Preferred Shares and Series H Preferred Shares (and accordingly the Series G ADSs and Series H ADSs) for an indefinite period of time. In addition, the Series G Preferred Shares and Series H Preferred Shares will rank junior to all our indebtedness and other liabilities, and any other senior securities we may issue in the future with respect to assets available to satisfy claims against us.

The Series G Preferred Shares and Series H Preferred Shares represented by the Series G ADSs and Series H ADSs have not been rated, and ratings of any other of our securities may affect the trading price of the Series G ADSs and Series H ADSs.

We have not sought to obtain a rating for the Series G Preferred Shares and Series H Preferred Shares, and both stocks may never be rated. It is possible, however, that one or more rating agencies might independently determine to assign a rating to either the Series G Preferred Shares and Series H Preferred Shares or that we may elect to obtain a rating of either our Series G Preferred Shares and Series H Preferred Shares in the future. In addition, we have issued securities that are rated and may elect to issue other securities for which we may seek to obtain a rating. Any ratings that are assigned to the Series G Preferred Shares and Series H Preferred Shares in the future, that have been issued on our outstanding securities or that may be issued on our other securities, if they are lower than market expectations or are subsequently lowered or withdrawn, could imply a lower relative value for the Series G Preferred Shares and Series H

Preferred Shares and could adversely affect the market for

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or the market value of the Series G ADSs and Series H ADSs. Ratings only reflect the views of the issuing rating agency or agencies and such ratings could at any time be revised downward or withdrawn entirely at the discretion of the issuing rating agency. A rating is not a recommendation to purchase, sell or hold any particular security, including the Series G Preferred Shares and Series H Preferred Shares and the Series G ADSs and Series H ADSs. Ratings do not reflect market prices or suitability of a security for a particular investor and any future rating of the Series G Preferred Shares and Series H Preferred Shares and the Series G ADSs and Series H ADSs may not reflect all risks related to us and our business, or the structure or market value of the Series G Preferred Shares and Series H Preferred Shares and the Series G ADSs and Series H ADSs.

The amount of the liquidation preference of our Series G Preferred Shares and Series H Preferred Shares is fixed and holders will have no right to receive any greater payment regardless of the circumstances.

The payment due upon liquidation for both our Series G Preferred Shares and Series H Preferred Shares is fixed at the liquidation preference of $2,500.00 per share (equivalent to $25.00 per ADS). If the Exchange Offer is successfully completed and the Proposed Amendments are adopted pursuant to the Consent Solicitation, and we obtain the vote of a majority of the outstanding Common Stock with respect to either or both the Series G Preferred Shares and Series H Preferred Shares, unpaid dividends on the Series G ADSs and Series H ADSs will not cumulate. In the event of our liquidation, if there are remaining assets to be distributed after payment of the liquidation preference of $2,500.00 per share (equivalent to $25.00 per ADS), holders will have no right to receive or to participate in these amounts. Furthermore, if the market price for the Series G Preferred Shares and Series H Preferred Shares, as the case may be, is greater than the liquidation preference, holders will have no right to receive the market price from us upon our liquidation.

The Series G Preferred Shares and Series H Preferred Shares are only redeemable at our option and investors should not expect us to redeem either the Series G Preferred Shares and Series H Preferred Shares on the dates they respectively become redeemable or on any particular date afterwards.

We may redeem, at our option, all or from time to time part of the Series G Preferred Shares and Series H Preferred Shares on or after January 28, 2019 and July 8, 2019 respectively. If we redeem the Series G, holders of the Series G will be entitled to receive a redemption price equal to $2,500.00 per share (equivalent to $25.00 per ADS). If we redeem the Series H, holders of the Series H will be entitled to receive a redemption price equal to $2,500.00 per share (equivalent to $25.00 per ADS). Any decision we may make at any time to propose redemption of either the Series G or the Series H will depend upon, among other things, our evaluation of our capital position, the composition of our shareholders equity and general market conditions at that time. In addition, investors might not be able to reinvest the money they receive upon redemption of the Series G or the Series H, as the case may be, in a similar security or at similar rates. We may elect to exercise our partial redemption right on multiple occasions.

Holders of the Series G ADSs and Series H ADSs may be subject to additional risks related to holding the Series G ADSs and Series H ADSs rather than Preferred Shares.

Because holders of the Series G ADSs and Series H ADSs do not hold their Preferred Shares directly, they are subject to the following additional risks, among others:

- a holder of either Series G ADSs and Series H ADSs will not be treated as one of our direct shareholders and may not be able to exercise shareholder rights;

distributions on the Series G Preferred Shares and Series H Preferred Shares represented by the Series G ADSs and Series H ADSs will be paid to the Depositary, and before the Depositary makes a distribution to holder on behalf of the Series G ADSs and Series H ADSs, withholding taxes or other governmental charges, if any, and fees of the Depositary that must be paid will be deducted;

we and the Depositary may amend or terminate the Deposit Agreement without the consent of holders of the Series G ADSs and Series H ADSs in a manner that could prejudice holders of Series G ADSs

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and Series H ADSs or that could affect their ability to transfer Series G ADSs and Series H ADSs, among others; and

the Depositary may take other actions inconsistent with the best interests of holders of the Series G ADSs and Series H ADSs.

Risks Relating to our Debt

We have substantial debt and may incur substantial additional debt, including secured debt and debt at the level of our subsidiaries, which could adversely affect our financial health and our ability to obtain financing in the future, react to changes in our business and make payments under the 2024 Notes.

As of September 30, 2018, we had $1,628.6 million in aggregate principal amount of debt outstanding, of which $402.9 million was unsecured.

Our substantial debt could have important consequences to holders of our equity and debt securities. Because of our substantial debt:

our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, vessel or other acquisitions or general corporate purposes and our ability to satisfy our obligations with respect to our debt may be impaired in the future;

a substantial portion of our cash flow from operations must be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes;

we will be exposed to the risk of increased interest rates because our borrowings under the majority of our credit facilities will be at variable rates of interest;

it may be more difficult for us to satisfy our obligations to our lenders, resulting in possible defaults on and acceleration of such indebtedness;

we may be more vulnerable to general adverse economic and industry conditions;

we may be at a competitive disadvantage compared to our competitors with less debt or comparable debt at more favorable interest rates and, as a result, we may not be better positioned to withstand economic downturns;

our ability to refinance indebtedness may be limited or the associated costs may increase; and

our flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited, or we may be prevented from carrying out capital expenditures that are necessary or important to our growth strategy and efforts to improve operating margins or our business.

We and our subsidiaries may be able to incur substantial additional indebtedness, including secured indebtedness, in the future as the terms of the indenture governing our 11.25% Senior Secured Notes due 2022 (the 2022 Senior Secured Notes) and the indenture governing our 7.375% First Priority Ship Mortgage Notes due 2022 (the 2022 Notes) do not fully prohibit us or our subsidiaries from doing so and the indenture governing the 2024 Notes does not contain any limitation to the amount of indebtedness, including secured indebtedness, that we may incur. The terms of the indenture governing the 7.25% Senior Notes due 2022 (the 2022 Logistics Senior Notes) of Navios South American Logistics (Navios Logistics), the agreements governing the terms of Term Loan B Facility (the Term Loan B Facility) and the agreements governing the terms of the other indebtedness of Navios Logistics also permit Navios Logistics to incur substantial additional indebtedness in accordance with the terms of such agreements. If new debt is added to our current debt levels, the related risks that we now face would increase and we may not be able to meet all of our debt obligations.

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The agreements and instruments governing our debt other than the 2024 Notes contain restrictions and limitations that could significantly impact our ability to operate our business.

Our secured credit facilities and our indentures governing our 2022 Senior Secured Notes and our 2022 Notes impose certain operating and financial restrictions on us. These restrictions limit our ability to:

- incur or guarantee additional indebtedness;
- create liens on our assets;
- make new investments;
- engage in mergers and acquisitions;
- pay dividends or redeem capital stock;
- make capital expenditures;
- engage in certain FFA trading activities;
- change the flag, class or commercial and technical management of our vessels;
- enter into long-term charter arrangements without the consent of the lender; and
- sell any of our vessels.

The agreements governing the terms of Navios Logistics indebtedness impose similar restrictions upon Navios Logistics.

Therefore, we and Navios Logistics will need to seek permission from our respective lenders in order to engage in some corporate and commercial actions that believe would be in the best interest of our respective business, and a denial of permission may make it difficult for us or Navios Logistics to successfully execute our business strategy or effectively compete with companies that are not similarly restricted. The interests of our and Navios Logistics lenders may be different from our respective interests or those of our holders of our equity and debt securities, and we cannot guarantee that we or Navios Logistics will be able to obtain the permission of lenders when needed. This may prevent us or Navios Logistics from taking actions that are in best interests of us, Navios Logistics or our stockholders. Any future debt agreements may include similar or more restrictive restrictions.

Our ability to generate the significant amount of cash needed to pay interest and principal and otherwise service our debt and our ability to refinance all or a portion of our indebtedness or obtain additional financing depend on multiple factors, many of which may be beyond our control.

Our ability to make scheduled payments on or to refinance our respective debt obligations will depend on our respective financial and operating performance, which, in turn, will be subject to prevailing economic and competitive conditions and to the financial and business factors, many of which may be beyond the control of us and Navios Logistics.

The principal and interest on such debt will be paid in cash. The payments under our debt will limit funds otherwise available for our respective working capital, capital expenditures, vessel acquisitions and other purposes. As a result of these obligations, current liabilities may exceed our current assets. We may need to take on additional debt as we expand our fleet or other operations, which could increase our ratio of debt to equity. The need to service our debt may limit funds available for other purposes, and our inability to service debt in the future could lead to acceleration of such debt, the foreclosure on assets such as owned vessels or otherwise negatively affect us.

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The market values of our vessels, which have declined from historically high levels, may fluctuate significantly, which could cause us to breach covenants in our credit facilities and result in the foreclosure of our mortgaged vessels.

Factors that influence vessel values include:

- number of newbuilding deliveries;
- number of vessels scrapped or otherwise removed from the total fleet;
- changes in environmental and other regulations that may limit the useful life of vessels;
- changes in global dry cargo commodity supply;
- types and sizes of vessels;
- development viability and increase in use of other modes of transportation;
- cost of vessel acquisitions;
- cost of newbuilding vessels;
- governmental or other regulations;
- prevailing level of charter rates;
- general economic and market conditions affecting the shipping industry; 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 owned vessels decrease, we may breach covenants contained in our secured credit facilities. If we breach such covenants and are unable to remedy any relevant breach, our lenders could accelerate our debt and foreclose on their collateral, including our vessels. Any loss of vessels would significantly decrease our ability to generate positive cash flow from operations and, therefore, service our debt. In addition, if the book value of a vessel is impaired due to unfavorable market conditions, or a vessel is sold at a price below its book value, we would

incur a loss.

In addition, as vessels grow older, they generally decline in value. We will review our vessels for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. We review certain indicators of potential impairment, such as undiscounted projected operating cash flows expected from the future operation of the vessels, which can be volatile for vessels employed on short-term charters or in the spot market. Any impairment charges incurred as a result of declines in charter rates would negatively affect our financial condition and results of operations. In addition, if we sell any vessel at a time when vessel prices have fallen and before we have recorded an impairment adjustment to our financial statements, the sale may be at less than the vessel s carrying amount on our financial statements, resulting in a loss and a reduction in earnings.

We may require additional financing to acquire vessels or business or to exercise vessel purchase options, and such financing may not be available.

In the future, we may be required to make substantial cash outlays to exercise options or to acquire vessels or business and will need additional financing to cover all or a portion of the purchase prices. We intend to cover the cost of such items with new debt collateralized by the vessels to be acquired, if applicable, but there can be no assurance that we will generate sufficient cash or that debt financing will be available. Moreover, the covenants in our senior secured credit facility, the indentures or other debt, may make it more difficult to obtain such financing by imposing restrictions on what we can offer as collateral.

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The international nature of our operations may make the outcome of any bankruptcy proceedings difficult to predict.

We are incorporated under the laws of the Republic of the Marshall Islands and our subsidiaries are also incorporated under the laws of the Republic of the Marshall Islands, the Republic of Liberia, Malta, Belgium and certain other countries other than the United States, and we conduct operations in countries around the world. Consequently, in the event of any bankruptcy, insolvency or similar proceedings involving us or one of our subsidiaries, bankruptcy laws other than those of the United States could apply, which laws may differ materially from those of the United States in a number of important respects. We have limited operations in the United States. If we become a debtor under the United States bankruptcy laws, bankruptcy courts in the United States may seek to assert jurisdiction over all of our assets, wherever located, including property situated in other countries. There can be no assurance, however, that we would become a debtor in the United States or that a United States bankruptcy court would be entitled to, or accept, jurisdiction over such bankruptcy case or that courts in other countries that have jurisdiction over us and our operations would recognize a United States bankruptcy court s jurisdiction if any other bankruptcy court would determine it had jurisdiction.

We are a holding company, and therefore our ability to make any required payments on our indebtedness depends upon the ability of our subsidiaries to pay dividends or to advance funds.

We have no direct operations and no significant assets other than the equity interests of our subsidiaries. Because we conduct our operations through our operating subsidiaries, we depend on those entities for dividends and other payments to generate the funds necessary to meet our financial obligations, including our required obligations under the 2024 Notes. The ability of our subsidiaries to pay dividends and make distributions to us will be subject to, among other things, the terms of any debt instruments of our subsidiaries then in effect and applicable law. If distributions from our subsidiaries to us were eliminated, delayed, reduced or otherwise impaired, our ability to make payments on the 2024 Notes would be substantially impaired.

We have substantial equity investments in six companies, five of which are not consolidated in our financial results, and our investment in such companies is subject to the risks related to their respective businesses.

As of the date of this prospectus, we had a 63.8% ownership interest in Navios Logistics, and, as a result, Navios Logistics is a consolidated subsidiary. As such, the income and losses relating to Navios Logistics and the indebtedness and other liabilities of Navios Logistics are shown in our consolidated financial statements.

We also have substantial equity investments in two public companies that are accounted for under the equity method Navios Acquisition and Navios Partners. As of September 30, 2018, we held 45.3% of the voting stock and 48.6% of the economic interest of Navios Acquisition. As of the date of this prospectus, we held 20.2% of the equity interest in Navios Partners (including a 2.0% general partner interest). As of September 30, 2018, the carrying value of our investments in these two affiliated companies amounted to $149.3 million.

In addition to the value of our investment, we receive dividend payments relating to our investments. As a result of our investments, during the nine month period ended September 30, 2018, we received $4.4 million and $1.4 million in dividends from Navios Acquisition and Navios Partners, respectively. Furthermore, we receive management and general and administrative fees from Navios Acquisition and Navios Partners, which amounted to $76.3 million and $58.2 million, respectively, during the nine month period ended September 30, 2018.

On October 9, 2013, we, Navios Acquisition and Navios Partners established Navios Europe I and as of the date of this prospectus have economic interests of 47.5%, 47.5% and 5.0%, respectively and 50%, 50% and 0%, voting

interests, respectively.

On February 18, 2015, we, Navios Acquisition and Navios Partners established Navios Europe II and as of the date of this prospectus have economic interests of 47.5%, 47.5% and 5.0%, respectively and voting interests of 50%, 50% and 0%, respectively.

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On June 8, 2017, Navios Containers completed a private placement in which we invested $5.0 million. On November 30, 2018, Navios Containers converted into to a limited partnership. In connection with the conversion, Navios Maritime Containers GP LLC, a Republic of the Marshall Islands limited liability company and wholly-owned subsidiary of Navios Holdings, was admitted as Navios Containers general partner and holds a non-economic interest that does not provide the holder with any rights to profits or losses of, or distribution by, the partnership.

Following the conversion of Navios Containers into a limited partnership, on December 3, 2018, Navios Partners distributed approximately 2.5% of the outstanding equity of Navios Containers to the unitholders of Navios Partners in connection with the listing of Navios Containers on The Nasdaq Global Select Market. As of the date of this prospectus, we had a 3.7% ownership interest in Navios Containers.

Our ownership interest in Navios Logistics, Navios Acquisition, Navios Partners, Navios Containers, Navios Europe I and Navios Europe II, and the reflection of such companies (or the investment relating thereto) on our balance sheets and any income generated from or related to such companies are subject to a variety of risks, including risks relating to the respective business of Navios Logistics, Navios Acquisition, Navios Partners, Navios Containers, Navios Europe I and Navios Europe II as disclosed in their respective public filings with the SEC or management reports. The occurrence of any such risks may negatively affect our financial condition.

We evaluate our investments in Navios Acquisition, Navios Partners, Navios Containers, Navios Europe I, Navios Europe II for other-than-temporary impairment (OTTI) on a quarterly basis. Consideration is given to (i) the length of time and the extent to which the fair value has been less than the carrying value, (ii) their financial condition and near term prospects, and (iii) our intent and ability to retain our investment in these companies, for a period of time sufficient to allow for any anticipated recovery in fair value.

As of September 30, 2018, we consider the decline in the market value of our investment in Navios Acquisition and Navios Partners to be temporary. However, there is the potential for future impairment charges relative to these equity securities if their respective fair values do not recover and an OTTI analysis indicates such write downs are necessary, which may have a material adverse impact on our results of operations in the period recognized. During the nine month period ended September 30, 2018 and during the year ended December 31, 2017, we did not recognize any impairment loss in earnings.

We and our subsidiaries are incorporated in the Republic of the Marshall Islands and in other non-U.S. jurisdictions, and certain of our and their officers and directors are non-U.S. residents. Although you may bring an original action in the courts of the Republic of the Marshall Islands or obtain a judgment against us, our directors or our management in the event you believe your rights have been infringed, it may be difficult to enforce judgments against us, our directors or our management.

We and our subsidiaries are organized under the laws of the Republic of the Marshall Islands and in other non-U.S. jurisdictions, and all of our assets are located outside of the United States. Our business is operated primarily from our office in Monaco and in Piraeus, Greece. In addition, our directors and officers are non-residents of the United States, and all or a substantial portion of the assets of these non-residents are located outside the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States if you believe that your rights have been infringed under securities laws or otherwise. Although you may bring an original action against us or our affiliates in the courts of the Republic of the Marshall Islands, and the courts of the Republic of the Marshall Islands may impose civil liability, including monetary damages, against us or our affiliates for a cause of action arising under Republic of the Marshall Islands law, it may impracticable for you to do so. See Enforceability of Civil Liabilities and Indemnification for Securities Act Liabilities.

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Our being subject to certain fraudulent transfer and conveyance statutes may have adverse implications for the holders of the 2024 Notes.

The 2024 Notes may be voided, subordinated, or limited under fraudulent transfer and insolvency laws.

The Republic of the Marshall Islands

Navios Holdings is organized under the laws of the Republic of the Marshall Islands. While the Republic of the Marshall Islands does not have a bankruptcy statute or general statutory mechanism for insolvency proceedings, a Republic of the Marshall Islands court could apply general U.S. principles of fraudulent conveyance, discussed below, in light of the provisions of the BCA. In such case, a Republic of the Marshall Islands court could void or subordinate the 2024 Notes.

United States

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the 2024 Notes. Under U.S. federal bankruptcy law and comparable provisions of U.S. state fraudulent transfer or conveyance laws, if any such law would be deemed to apply, which may vary from state to state, the 2024 Notes could be voided as a fraudulent transfer or conveyance if (1) we issued the 2024 Notes with the intent of hindering, delaying or defrauding creditors or (2) we received less than reasonably equivalent value or fair consideration in return for issuing the 2024 Notes and, in the case of (2) only, one of the following is also true at the time thereof:

- we were insolvent or rendered insolvent by reason of the issuance of the 2024 Notes;
- the issuance of the 2024 Notes left us with an unreasonably small amount of capital to carry on the business;
- we intended to incur debts beyond our ability to pay as they mature; or
- we were a defendant in an action for money damages, or had a judgment for money damages docketed against us or after final judgment, the judgment is unsatisfied.

If a court were to find that the issuance of the 2024 Notes was a fraudulent transfer or conveyance, the court could void the payment obligations under the 2024 Notes or further subordinate the 2024 Notes. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the 2024 Notes. Further, the voidance of the 2024 Notes could result in an event of default with respect to our and our subsidiaries other debt that could result in acceleration of such debt.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or an antecedent debt is secured or satisfied. A debtor will generally not be considered to have received value in connection with a debt offering if the debtor did not substantially benefit directly or indirectly from the transaction. In that regard, a debtor will generally not be considered to have received value if the proceeds of a debt offering were used to make a dividend payment or otherwise retire or redeem equity securities issued by the debtor.

The measures of insolvency for purposes of fraudulent transfer or conveyance laws vary depending upon the applicable jurisdiction s governing law, such that we cannot be certain as to the standards a court would use to determine whether or not we were solvent at the relevant time. Generally, however, an entity would be considered insolvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair value of all its assets; or

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

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In addition, any payment by us pursuant to the 2024 Notes at a time when we are subsequently found to be insolvent could be avoided and required to be returned to us or to a fund for the benefit of our creditors if such payment is made to an insider within a one-year period prior to a bankruptcy filing or within 90 days to any non-insider party and such payment would give the holders of the 2024 Notes more than such holders of the 2024 Notes would have received in a liquidation under Chapter 7 of the U.S. Bankruptcy Code.

If we file a bankruptcy petition, or if a bankruptcy petition is filed against us, you may receive a lesser amount for your claim under the 2024 Notes than you would have been entitled to receive under the indentures governing the 2024 Notes.

If we file a bankruptcy petition under the United States Bankruptcy Code after the issuance of the 2024 Notes, or if such a bankruptcy petition is filed against us, your claim against us for the principal amount of your 2024 Notes may be limited to an amount equal to:

- the original issue price for the 2024 Notes; and
- the portion of original issue discount that does not constitute unmatured interest for purposes of the United States Bankruptcy Code.

Any original issue discount that was not amortized as of the date of any bankruptcy filing would constitute unmatured interest. Accordingly, under these circumstances, you may receive a lesser amount than you would have been entitled to receive under the terms of the indenture that will govern the 2024 Notes, even if sufficient funds are available.

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USE OF PROCEEDS

We will not receive any cash proceeds from the Exchange Offer. In consideration for the cash consideration and/or the issuance of up to approximately $15.6 million aggregate principal amount of 2024 Notes, we will receive up to 66 2/3% of each of the outstanding Series G ADSs and Series H ADSs validly tendered and accepted in the Exchange Offer. The Series G ADSs and Series H ADSs acquired by us pursuant to the Exchange Offer will be cancelled upon receipt thereof.

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TRADING MARKET AND PRICE OF SERIES G ADSs AND SERIES H ADSs

Our Series G ADSs trade on the NYSE under the symbol NMpG. Our Series H ADSs trade on the NYSE under the symbol NMpH. The following table contains, for the periods indicated, the intraday high and low sale prices per Series G ADS and Series H ADS.

	Series G ADSs		Series H ADSs	
	High	Low	High	Low
2017				
First Quarter	16.0900	7.3400	16.0000	7.2200
Second Quarter	18.8600	14.3000	18.4100	13.7300
Third Quarter	17.6600	13.5000	17.1400	13.0000
Fourth Quarter	19.9900	13.8700	18.8900	14.1400
2018				
First Quarter	17.3250	12.1800	17.0000	12.1000
Second Quarter	14.2000	10.1800	13.7200	10.2705
Third Quarter	15.0000	9.9900	15.0000	10.0000
Fourth Quarter	11.4100	2.8300	10.9400	2.9000
2019				
First Quarter (through February 15, 2019)	6.8242	3.0500	6.7300	2.9500

There were two holders of record of our Series G ADSs and two holders of record of our Series H ADSs as of December 19, 2018.

As of February 15, 2019, the last reported sale prices of the Series G ADSs and the Series H ADSs on the NYSE were $5.60 and $5.36, respectively.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2018:

(i) on a historical basis; and

(ii) on an as adjusted basis after giving effect to the exchange by us of $11.7 million aggregate principal amount of the 2024 Notes for 66 2/3% of each of our outstanding Series G ADSs and Series H ADSs, assuming the tender and acceptance of all of such ADSs in the Exchange Offer and the cash caps in respect to the consideration elections having been reached for each of the Series G ADSs and Series H ADSs.[1]

The information in this table should be read in conjunction with our unaudited condensed consolidated financial statements for the quarterly period ended September 30, 2018 and related notes thereto and other information included in this prospectus.

	As of September 30, 2018	
	Historical (unaudited)	As Adjusted (unaudited)
	(expressed in thousands of U.S. dollars)	
Cash and cash equivalents including restricted cash	**$ 142,981**	**$ 132,722**
Long-term indebtedness (including current portion)		
Senior secured credit facilities	$ 167,393	$ 167,393
7.375% First Priority Ship Mortgage Notes due 2022	614,339	614,339
11.25% Senior Secured Notes due 2022	305,000	305,000
Notes offered in the Exchange Offer[1]		11,729
Other long-term indebtedness	541,853	541,853
Total long-term indebtedness (including current portion)[2][3]	**$ 1,628,585**	**$ 1,640,314**
Total Navios Holdings stockholders equity[4]	451,633	429,645
Total capitalization	**$ 2,080,218**	**$ 2,069,959**

(1) Up to $15.6 million aggregate principal amount of the 2024 Notes.

(2)

The 2024 Notes are structurally and effectively subordinated to borrowings and other long-term indebtedness presented under Total long-term indebtedness (including current portion).

(3) Total long-term indebtedness (including current portion) is presented gross of deferred financing costs of $29.3 million as of September 30, 2018.

(4) Navios Holdings stockholders equity is adjusted for the $11.7 million aggregate principal amount of the 2024 Notes and the cash caps in respect to the consideration elections having been reached for each of the Series G ADSs and Series H ADSs.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

Navios Holdings selected historical financial information and operating results for the years ended December 31, 2017, 2016, 2015, 2014 and 2013 are derived from the consolidated financial statements of Navios Holdings. The selected consolidated statement of comprehensive (loss)/income data for the years ended December 31, 2017, 2016, and 2015 and the selected consolidated balance sheet data as of December 31, 2017 and 2016 have been derived from our audited consolidated financial statements, which are included in this prospectus in Annex A. The selected consolidated statement of comprehensive (loss)/income data for the years ended December 31, 2014 and 2013 and the selected consolidated balance sheet data as of December 31, 2015, 2014 and 2013 have been derived from our audited consolidated financial statements, which are not included in this prospectus.

Navios Holdings selected historical financial information and operating results for the nine month periods ended September 30, 2018 and September 30, 2017 are derived from the consolidated financial statements of Navios Holdings. The selected consolidated statement of comprehensive (loss)/income data for the nine months ended September 30, 2018 and September 30, 2017 and the selected consolidated balance sheet data as of September 30, 2018 have been derived from our unaudited interim financial statements, which are included in this prospectus in Annex B. The selected consolidated balance sheet data as of September 30, 2017 have been derived from our unaudited interim financial statements, which are not included in this prospectus.

The selected consolidated financial data should be read in conjunction with Item 5. Operating and Financial Review and Prospects , the consolidated financial statements, related notes and other financial information included in our Form 20-F included as Annex A and our Form 6-K included as Annex B to this prospectus. The historical data included below and elsewhere in this prospectus is not necessarily indicative of our future performance. Selected Financial Data is as follows (in thousands, except share and per share data):

	Nine Months Ended		Fiscal Years Ended				
	September 30, 2018	September 30, 2017	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
(in thousands of U.S. dollars)	**(unaudited)**	**(unaudited)**					
Statement of Comprehensive (Loss)/income Data							
Revenue	$ 390,386	$ 334,519	$ 463,049	$ 419,782	$ 480,820	$ 569,016	$ 512,279
Administrative fee revenue from affiliates	21,488	16,942	23,667	21,799	16,177	14,300	7,868
Time charter, voyage and logistics business expenses	(155,363)	(161,628)	(213,929)	(175,072)	(247,882)	(263,304)	(244,412)
Direct vessel expenses	(73,756)	(90,566)	(116,713)	(127,396)	(128,168)	(130,064)	(114,074)
General and administrative expenses incurred on behalf of affiliates	(21,488)	(16,942)	(23,667)	(21,799)	(16,177)	(14,300)	(7,868)

General and administrative expenses	(21,757)	(19,203)	(27,521)	(25,295)	(34,183)	(45,590)	(44,634)
Depreciation and amortization	(75,247)	(77,893)	(104,112)	(113,825)	(120,310)	(104,690)	(98,124)
Interest expense and finance cost, net	(97,797)	(83,812)	(114,780)	(108,692)	(110,781)	(108,145)	(108,506)
Impairment losses	(16,070)	(14,239)	(50,565)				
Loss on Derivatives							(260)
Gain/(loss) on bond and debt extinguishment	6,464	1,715	(981)	29,187		(27,281)	(37,136)
Other (expense)/income, net	(8,928)	(4,790)	(6,826)	5,206	(30,201)	(9,673)	5,972
Loss before equity in net earnings of affiliated companies	**$ (52,068)**	**$ (115,897)**	**$ (172,378)**	**$ (96,105)**	**$ (190,705)**	**$ (119,731)**	**$ (128,895)**
Equity in net (losses)/earnings of affiliated companies	(13,720)	2,208	4,399	(202,779)	61,484	57,751	19,344

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(in thousands of U.S. dollars)	Nine Months Ended September 30, 2018 (unaudited)	Nine Months Ended September 30, 2017 (unaudited)	Fiscal Years Ended December 31, 2017	Fiscal Years Ended December 31, 2016	Fiscal Years Ended December 31, 2015	Fiscal Years Ended December 31, 2014	Fiscal Years Ended December 31, 2013
Losses before taxes	**$ (65,788)**	**$ (113,689)**	**$ (167,979)**	**$ (298,884)**	**$ (129,221)**	**$ (61,980)**	**$ (109,551)**
Income tax benefit/(expense)	1,324	562	3,192	(1,265)	3,154	(84)	4,260
Net loss	**$ (64,464)**	**$ (113,127)**	**$ (164,787)**	**$ (300,149)**	**$ (126,067)**	**$ (62,064)**	**$ (105,291)**
Less: Net (income)/loss attributable to the noncontrolling interest	(3,501)	(1,182)	(1,123)	(3,674)	(8,045)	5,861	(3,772)
Net loss attributable to Navios Holdings common stockholders	**$ (67,965)**	**$ (114,309)**	**$ (165,910)**	**$ (303,823)**	**$ (134,112)**	**$ (56,203)**	**$ (109,063)**
Loss attributable to Navios Holdings common stockholders, basic and diluted	**$ (75,644)**	**$ (121,049)**	**$ (175,298)**	**$ (273,105)**	**$ (150,314)**	**$ (66,976)**	**$ (110,990)**
Basic and diluted net loss per share attributable to Navios Holdings common stockholders	**$ (0.63)**	**$ (1.04)**	**$ (1.50)**	**$ (2.54)**	**$ (1.42)**	**$ (0.65)**	**$ (1.09)**
Weighted average number of shares, basic and diluted	**119,423,025**	**116,260,640**	**116,673,459**	**107,366,783**	**105,896,235**	**103,476,614**	**101,854,415**
Balance Sheet Data (at period end)							
	$ 276,738	$ 232,865	$ 256,076	$ 273,140	$ 302,959	$ 417,131	$ 339,986

Current assets, including cash and cash equivalents and restricted cash							
Total assets	2,488,857	2,660,607	2,629,981	2,752,895	2,958,813	3,127,697	2,886,453
Total long-term indebtedness, including current portion	1,599,331	1,643,215	1,682,488	1,651,095	1,581,308	1,612,890	1,478,089
Navios Holdings stockholders equity	$ 451,633	$ 566,687	$ 516,098	$ 678,287	$ 988,960	$ 1,152,963	$ 1,065,695
Other Financial Data							
Net cash provided by operating activities	$ 39,591	$ 33,578	$ 50,784	$ 36,920	$ 43,478	$ 56,323	$ 59,749
Net cash provided by/(used in) investing activities	51,870	(32,987)	(42,365)	(150,565)	(36,499)	(244,888)	(258,571)
Net cash (used in)/provided by financing activities	(82,670)	(22,730)	(16,779)	86,225	(91,123)	248,290	128,785
Book value per common share	3.62	4.74	4.29	5.79	8.95	10.89	10.22
Cash dividends per common share					0.17	0.24	0.24
Cash dividends per preferred share				74.4	216.7	99.9	200.0
Cash paid for Common Stock dividend declared					19,325	25,228	24,710
Cash paid for preferred stock dividend declared				3,681	16,025	7,502	1,696
Adjusted EBITDA	$ 118,066	$ 61,144	$ 68,813	$ (62,827)	$ 112,756	$ 176,698	$ 107,909

(1) EBITDA represents net (loss)/income attributable to Navios Holdings common stockholders before interest and finance costs, before depreciation and amortization and before income taxes. Adjusted EBITDA represents EBITDA before stock based compensation. We use Adjusted EBITDA as a liquidity measure and reconcile Adjusted EBITDA to net cash provided by operating activities, the most comparable U.S. GAAP liquidity measure. Adjusted EBITDA is calculated as follows: net cash provided by operating activities adding back, when

applicable and as the case may be, the effect of (i) net increase/(decrease) in operating assets, (ii) net (increase)/decrease in operating liabilities, (iii) net interest cost, (iv) deferred finance charges and gains/

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(losses) on bond and debt extinguishment, (v) (provision)/recovery for losses on accounts receivable, (vi) equity in affiliates, net of dividends received, (vii) payments for drydock and special survey costs, (viii) noncontrolling interest, (ix) gain/ (loss) on sale of assets/ subsidiaries, (x) unrealized (loss)/gain on derivatives, and (xi) loss on sale and reclassification to earnings of available-for-sale securities and impairment charges. Navios Holdings believes that Adjusted EBITDA is a basis upon which liquidity can be assessed and represents useful information to investors regarding Navios Holdings ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. Navios Holdings also believes that Adjusted EBITDA is used (i) by prospective and current lessors as well as potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

Adjusted EBITDA has limitations as an analytical tool, and therefore, should not be considered in isolation or as a substitute for the analysis of Navios Holdings results as reported under U.S. GAAP. Some of these limitations are: (i) Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs; (ii) Adjusted EBITDA does not reflect the amounts necessary to service interest or principal payments on our debt and other financing arrangements; and (iii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. Adjusted EBITDA does not reflect any cash requirements for such capital expenditures. Because of these limitations, among others, Adjusted EBITDA should not be considered as a principal indicator of Navios Holdings performance. Furthermore, our calculation of Adjusted EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

The following table reconciles net cash provided by operating activities, as reflected in the consolidated statements of cash flows, to Adjusted EBITDA:

Adjusted EBITDA Reconciliation from Cash from Operations

	Nine Months Ended		Fiscal Years Ended				
	September 30, 2018	September 30, 2017	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
(in thousands of U.S. dollars except per share data)	(unaudited)	(unaudited)					
Net cash provided by operating activities	$ 39,591	$ 33,578	$ 50,784	$ 36,920	$ 43,478	$ 56,323	$ 59,749
Net increase/(decrease) in operating assets	13,742	(30,954)	(25,052)	20,599	(43,042)	18,025	(57,792)
Net (increase)/decrease in operating liabilities	(3,095)	(12,103)	(20,814)	(38,928)	(39,288)	(23,613)	27,087
Payments for drydock and special survey costs	6,189	10,024	10,824	11,096	24,840	10,970	12,119
Net interest cost	91,834	79,518	108,389	103,039	106,257	104,084	103,122
(Provision)/recovery for losses on accounts receivable	(418)	276	(269)	(1,304)	(59)	(792)	(630)
Impairment losses	(16,070)	(14,239)	(50,565)				
Gain on sale of assets	28	1,075	1,064				18

Unrealized loss on FFA derivatives, warrants, interest rate swaps							(69)
Gain/(Loss) on bond and debt extinguishment	6,464	1,715	185	29,187		(4,786)	(12,142)
(Losses)/earnings in affiliates and joint ventures, net of dividends received	(16,698)	(6,564)	(4,610)	(219,417)	30,398	22,179	(19,781)
Reclassification to earnings of available-for-sale securities				(345)	(1,783)	(11,553)	
Noncontrolling interest	(3,501)	(1,182)	(1,123)	(3,674)	(8,045)	5,861	(3,772)
Adjusted EBITDA	**$ 118,066**	**$ 61,144**	**$ 68,813**	**$ (62,827)**	**$ 112,756**	**$ 176,698**	**$ 107,909**

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Major Shareholders

The following table sets forth information regarding the beneficial ownership of the Common Stock of Navios Holdings as of December 19, 2018 based on shares of Common Stock outstanding as of such date of each person known by Navios Holdings to be the beneficial owner of more than 5% of its outstanding shares of Common Stock based upon the amounts and percentages as are contained in the public filings of such persons. All such stockholders have the same voting rights with respect to their shares of Common Stock. The information contained in this section does not reflect the one-for-ten reverse split that became effective on January 3, 2019. See Prospectus Summary Recent Developments Reverse Stock Split.

Unless otherwise indicated, based upon Schedules 13D filed with the SEC and Navios Holdings knowledge, Navios Holdings believes that all persons named in the table have sole voting and investment power with respect to all shares of Common Stock beneficially owned by them.

Name	Amount and Nature of Beneficial Ownership	Percentage of Outstanding Common Stock
Angeliki Frangou[1][2][3]	39,665,352	30.6%

(1) The amount and nature of beneficial ownership and the percentage of outstanding Common Stock includes 5,111,991 options, each for one share, vested but not yet exercised.
(2) As disclosed in a 13D Amendment dated March 29, 2018, Ms. Frangou has disclosed that she and her affiliates have pledged 14,511,171 of the shares of Common Stock disclosed in the table above.
(3) Angeliki Frangou has filed a Schedule 13D amendment indicating that she intends, subject to market conditions, to purchase up to $20.0 million of Common Stock and as of December 19, 2018, she had purchased approximately $10.0 million in value of Common Stock.

Management

The following table sets forth information regarding the beneficial ownership of Common Stock as of December 19, 2018, based on 125,559,137 shares of Common Stock outstanding as of such day, by each of Navios Holdings executive officers and directors.

Unless otherwise indicated based upon Schedules 13D filed with the SEC and to Navios Holdings knowledge, Navios Holdings believes that all persons named in the table have sole voting and investment power with respect to all shares of Common Stock beneficially owned by them.

Name and Address of Beneficial Owner[1]	Amount and Nature of Beneficial Ownership	Percentage of Outstanding Common Stock

Angeliki Frangou[2][3]	39,665,352	30.6%
George Achniotis	*	*
Ted C. Petrone	*	*
Vasiliki Papaefthymiou	*	*
Anna Kalathakis	*	*
Shunji Sasada	*	*
Leonidas Korres	*	*
Efstratios Desypris	*	*
Ioannis Karyotis	*	*
Erifili Tsironi	*	*
Chris Christopoulos	*	*
Spyridon Magoulas	*	*
John Stratakis	*	*
Efstathios Loizos	*	*
George Malanga	*	*

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* Less than one percent

(1) The business address of each of the individuals is c/o Navios Maritime Holdings Inc., 7 Avenue de Grande Bretagne, Office 11B2, Monte Carlo, MC 98000 Monaco.

(2) Angeliki Frangou has filed a Schedule 13D amendment indicating that she intends, subject to market conditions, to purchase up to $20.0 million of Common Stock and as of December 19, 2018, she had purchased approximately $10.0 million in value of Common Stock.

(3) The amount and nature of beneficial ownership and the percentage of outstanding Common Stock includes 5,111,991 options, each for one share, vested but not yet exercised.

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DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading Certain Definitions. In this Description of Notes , the term Issuer refers only to Navios Maritime Holdings Inc. and not to any of its subsidiaries or affiliates.

The Issuer will issue the 9.75% Senior Notes due 2024 under an indenture to be dated the Issue Date, between the Issuer and Wilmington Trust, National Association, as trustee (the Trustee). The terms of the notes include those stated in the indenture and those made a part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the indenture. It does not restate that agreement in its entirety. We urge you to read the indenture because it, and not this description, defines your rights as holders of these notes. A copy of the indenture is filed as an exhibit to the registration statement of which this prospectus forms a part.

The registered holder of a note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture.

Brief Description of the Notes

The notes will be:

- general senior obligations of the Issuer;
- senior in right of payment to any of our existing and future debt that expressly provides that it is subordinated to the notes;
- *pari passu* in right of payment with all of our existing and future senior obligations;
- structurally subordinated in right of payment to the obligations of our subsidiaries; and
- effectively subordinated in right of payment to any existing and future obligations of the Issuer that are secured by property or assets that do not secure the notes, including the Issuer s 2022 Senior Secured Notes and 2022 Notes, to the extent of the value of any such property and assets securing such other obligations.

As of September 30, 2018, the Issuer s subsidiaries had approximately $1,628.6 million of indebtedness outstanding, all of which is structurally senior to the 2024 Notes. The Issuer is not prohibited from incurring additional indebtedness, including secured indebtedness.

Principal, Maturity and Interest

The Issuer will issue up to $15.6 million in aggregate principal amount of notes in the Exchange Offer, assuming no cash consideration elections. The final aggregate principal amount of notes to be issued is dependent upon the allocation of the Exchange Offer consideration elections made by tendering holders in the Exchange Offer. See Terms of the Exchange Offer and Consent Solicitation Consideration Elections and Consideration Proration.

The Issuer is permitted to issue additional notes under the Indenture from time to time after the Issue Date (the Additional Notes). The notes and any Additional Notes that are issued will be treated as a single class for all purposes of the Indenture, including, without limitation, those with respect to waivers, amendments,

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redemptions and offers to purchase. Unless the context otherwise requires, references to the notes for all purposes of the Indenture and in this Description of the Notes include references to any Additional Notes that are issued.

The Issuer will issue the notes in minimum denominations of $25.00 and integral multiples of $25.00 in excess thereof. The notes will mature on April 15, 2024.

Interest on the notes will accrue at the rate of 9.75% per annum and will be payable semi-annually in arrears on each April 15 and October 15, commencing on October 15, 2019. Interest on overdue principal and interest, if any, will accrue at the then applicable interest rate on the notes. The Issuer will make each interest payment to the holders of record on the immediately preceding April 1 and October 1.

Interest on the notes will accrue from the Issue Date or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Additional Amounts

All payments made by the Issuer under or with respect to the notes will be made free and clear of and without withholding or deduction for or on account of any present or future Taxes imposed or levied by or on behalf of any Taxing Authority in any jurisdiction in which the Issuer is organized or is otherwise resident for tax purposes, or any jurisdiction from or through which payment is made (each, a Relevant Taxing Jurisdiction), unless the Issuer is required to withhold or deduct Taxes by law or by the official interpretation or administration thereof. If the Issuer is required to withhold or deduct any amount for or on account of Taxes imposed by a Relevant Taxing Jurisdiction, from any payment made under or with respect to the notes, the Issuer will pay such additional amounts (Additional Amounts) as may be necessary so that the net amount received by each holder of notes (including Additional Amounts) after such withholding or deduction will equal the amount the holder would have received if such Taxes had not been withheld or deducted; *provided*, *however*, that no Additional Amounts will be payable with respect to any Tax:

(1) that would not have been imposed, payable or due but for the existence of any present or former connection between the holder (or the beneficial owner of, or person ultimately entitled to obtain an interest in, such notes) and the Relevant Taxing Jurisdiction (including being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in, or being physically present in, the Relevant Taxing Jurisdiction) other than the mere holding of the notes or enforcement of rights under such note;

(2) that would not have been imposed, payable or due but for the failure to satisfy any certification, identification or other reporting requirements whether imposed by statute, treaty, regulation or administrative practice; *provided*, *however*, that the Issuer has delivered a request to the holder to comply with such requirements at least 30 days prior to the date by which such compliance is required;

(3) that would not have been imposed, payable or due if the presentation of notes (where presentation is required) for payment had occurred within 30 days after the date such payment was due and payable or was duly provided for, whichever is later;

(4) subject to the last paragraph of this section, that is an estate, inheritance, gift, sales, excise, transfer or personal property tax, assessment or charge; or

(5) as a result of a combination of the foregoing.

In addition, Additional Amounts will not be payable if the beneficial owner of, or person ultimately entitled to obtain an interest in, such notes had been the holder of the notes and such beneficial owner would not be entitled to the payment of Additional Amounts by reason of clause (1), (2), (3), (4) or (5) above. In addition, Additional Amounts will not be payable with respect to any Tax which is payable otherwise than by withholding from any payment under or in respect of the notes.

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Whenever in the indenture or in this Description of Notes there is mentioned, in any context, the payment of amounts based upon the principal amount of the notes or of principal, interest or of any other amount payable under or with respect to any of the notes, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Upon request, the Issuer will provide the Trustee with documentation satisfactory to the Trustee evidencing the payment of Additional Amounts.

The Issuer will pay any present or future stamp, court or documentary taxes, or any similar taxes, charges or levies which arise in any Relevant Taxing Jurisdiction from the execution, delivery or registration of the notes or any other document or instrument referred to therein, or the receipt of any payments with respect to or enforcement of the notes.

Methods of Receiving Payments on the Notes

If a holder of notes has given wire transfer instructions to the Issuer, the Issuer will pay all principal, interest and premium, if any, on that holder s notes in accordance with those instructions so long as such holder holds at least $100,000 aggregate principal amount of notes. All other payments on the notes will be made at the office or agency of the paying agent and registrar within the United States unless the Issuer elects to make interest payments by check mailed to the holders of notes at their respective addresses set forth in the register of holders.

Paying Agent and Registrar for the Notes

The Trustee will initially act as paying agent and registrar. The Issuer may change the paying agent or registrar without prior notice to the holders of the notes, and the Issuer or any of its subsidiaries may act as paying agent or registrar other than in connection with the discharge or defeasance provisions of the indenture.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the provisions of the indenture. The registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer. The Issuer is not required to transfer or exchange any note selected for redemption. Also, the Issuer is not required to transfer or exchange any note for a period of 15 days before a selection of notes to be redeemed.

The transferor of any note shall upon request by the Trustee provide or cause to be provided to the Trustee all information requested by the Trustee to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Internal Revenue Code of 1986, as amended. The Trustee may rely on information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Optional Redemption

We will have the option to redeem the notes, in whole or in part, at our option at any time, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest and Additional Amounts, if any, on the notes to be redeemed to, but excluding, the date on which the notes are to be redeemed.

Selection and Notice of Redemption

If less than all of the notes are to be redeemed at any time, the Trustee will select notes for redemption as follows:

(1) if the notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the notes are listed; or

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(2) if the notes are not listed on any national securities exchange, on a *pro rata* basis, by lot or by such method in accordance with the Trustee s customary procedures (or, in the case of notes issued in global form based on the method required by DTC, if it is not so required, a method that most nearly approximates a pro rata selection in accordance with the Trustee s customary procedures).

Notices of redemption will be delivered electronically or mailed by first class mail at least 15 but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address, except that redemption notices may be delivered more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the notes or a satisfaction and discharge of the indenture. In connection with any redemption of notes, any such redemption may, at our discretion, be subject to one or more conditions precedent. In addition, if such redemption or notice is subject to one or more conditions precedent, such notice shall state that, in the Issuer s discretion, the redemption date may be delayed until such time as any or all of such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed. If any such condition precedent has not been satisfied, the Issuer shall provide written notice to the Trustee prior to the close of business two business days prior to the redemption date (or such shorter period as may be acceptable to the Trustee). Upon receipt of such notice, the notice of redemption shall be rescinded or delayed, and the redemption of the notes shall be rescinded or delayed as provided in such notice. Upon receipt, the Trustee shall provide such notice to each holder in the same manner in which the notice of redemption was given.

If any note is to be redeemed in part only, the notice of redemption that relates to that note will state the portion of the principal amount of that note that is to be redeemed. A new note in principal amount equal to the unredeemed portion of the original note will be issued in the name of the holder of notes upon cancellation of the original note. Notes called for redemption become due on the date fixed for redemption subject to the satisfaction of any conditions precedent. On and after the redemption date, interest, if any, shall cease to accrue on notes or portions of them called for redemption, unless the Issuer defaults in the payment of the redemption price or any conditions precedent are not satisfied.

Reports

The Issuer shall deliver to the Trustee, within 15 days after it files the same with the Commission, copies of the annual reports and the information, documents and other reports (or copies of those portions of any of the foregoing as the Commission may by rules and regulations prescribe) that the Issuer is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act. The Issuer shall also comply with the provisions of TIA Section 314(a).

Notwithstanding the foregoing, the Issuer will be deemed to have furnished in compliance with this covenant such reports referred to in the first paragraph of this covenant to the Trustee and the holders of notes if the Issuer has filed such reports with the Commission via the EDGAR filing system and such reports are publicly available.

The Trustee shall have no responsibility for the filing, timeliness or content of reports.

Delivery of the reports, information and documents in accordance with this covenant shall satisfy the Issuer s obligation to make such delivery, but, in the case of the Trustee, such delivery shall be for informational purposes only, and the Trustee s receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer s compliance with any of its covenants (as to which the Trustee is entitled to conclusively rely on an Officers Certificate).

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Events of Default and Remedies

Each of the following is an Event of Default :

(1) default by the Issuer for 30 consecutive days in the payment when due and payable of interest and Additional Amounts, if any, on the notes;

(2) default by the Issuer in payment when due and payable of the principal of or premium, if any, on the notes; and

(3) certain events of bankruptcy or insolvency described in the indenture with respect to the Issuer.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency specified in clause (3), all outstanding notes will become due and payable immediately without further action or notice. If any Event of Default occurs and is continuing, the Trustee, by written notice to the Issuer, or the holders of at least 30% in principal amount of the then outstanding notes, by written notice to the Trustee and the Issuer, may declare all the notes to be due and payable. Any notice from the Trustee or noteholders shall specify the applicable Event(s) of Default and state that such notice is a Notice of Acceleration. Upon such declaration of acceleration pursuant to a Notice of Acceleration, the aggregate principal of and accrued and unpaid interest on the outstanding notes shall become due and payable without further action or notice.

Subject to certain limitations, holders of a majority in principal amount of the then outstanding notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal or interest.

The holders of a majority in aggregate principal amount of the notes then outstanding may, on behalf of the holders of all of the notes, rescind an acceleration or waive any existing Default or Event of Default and its consequences under the indenture except a continuing Default or Event of Default in the payment of interest or premium, if any, on, or the principal of, the notes.

The Issuer will be required to deliver to the Trustee annually a written statement regarding compliance with the indenture. Within 30 days of becoming aware of any Default or Event of Default, the Issuer will be required to deliver to the Trustee a written statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No past, future or present director, officer, employee, incorporator, member, manager, agent or shareholder of the Issuer will have any liability for any obligations of the Issuer under the notes, the indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. The waiver may not be effective to waive liabilities under the federal securities laws of the United States or the laws of the Republic of the Marshall Islands.

Legal Defeasance and Covenant Defeasance

The Issuer may, at their option and at any time, elect to have all of their obligations discharged with respect to the outstanding notes (Legal Defeasance). Such Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire indebtedness represented by the outstanding notes, except for:

(1) the rights of holders of outstanding notes to receive payments in respect of the principal of or interest or premium, if any, on such notes when such payments are due from the trust referred to below;

(2) the Issuer s obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust;

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(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer s obligations in connection therewith; and

(4) the Legal Defeasance provisions of the indenture.

In addition, the Issuer may, at their option and at any time, elect to have their obligations released with respect to certain covenants (including all the covenants described in this Description of Notes) in the indenture (Covenant Defeasance) and thereafter any omission to comply with those covenants will not, in each case, constitute a Default or Event of Default with respect to the notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in amounts as will be sufficient, without consideration of any reinvestment of interest, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of or interest and premium, if any, on the outstanding notes on the Stated Maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether the notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel confirming that (a) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (b) since the Issue Date, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the holders of the outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer must deliver to the Trustee an Opinion of Counsel confirming that the holders of the outstanding notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from, or otherwise arising in connection with, the borrowing of funds to be applied to such deposit and the grant of any lien securing such borrowing);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the indenture) to which either the Issuer or any of its subsidiaries is a party or by which either the Issuer or any of its subsidiaries are bound;

(6) the Issuer must deliver to the Trustee an Officer s Certificate stating that the deposit was not made by the Issuer with the intent of preferring the holders of notes over the other creditors of the Issuer or any of its subsidiaries or with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or any of its subsidiaries or others; and

(7) the Issuer must deliver to the Trustee an Officer s Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Notwithstanding the foregoing, the Opinion of Counsel required by clause (2) above with respect to a Legal Defeasance need not be delivered if all notes not theretofore delivered to the Trustee for cancellation will become due and payable within one year under arrangements reasonably satisfactory to the Trustee for the giving of a notice of redemption by the Trustee in the name and at the expense of the Issuer.

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If the funds deposited with the Trustee to effect Covenant Defeasance are insufficient to pay the principal of and interest on the notes when due, then the obligations of the Issuer under the indenture will be revived and no such defeasance will be deemed to have occurred.

Satisfaction and Discharge

The indenture will be discharged and will cease to be of further effect as to all notes issued thereunder, when:

(1) either:

(a) all notes that have been authenticated, except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment money has been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from the trust, have been delivered to the Trustee for cancellation; or

(b) all notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year or have been called for redemption pursuant to the provisions described under Optional Redemption and the Issuer has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash or Cash Equivalents in U.S. dollars, non-callable Government Securities, or a combination thereof, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the notes not delivered to the Trustee for cancellation for principal and premium, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit (other than an Event of Default resulting from the borrowing of funds to be applied to such deposit including the incurrence of liens in connection with such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, the indenture;

(3) the Issuer has paid or caused to be paid all sums payable by them under the indenture; and

(4) the Issuer has delivered irrevocable instructions to the Trustee under the indenture to apply the deposited money toward the payment of the notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer must deliver an Officer s Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the indenture or the notes may be amended or supplemented with the consent of the Issuer and the holders of at least a majority in principal amount of the notes then

outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes), and any existing Default or Event of Default or compliance with any provision of the indenture or the notes may be waived with the consent of the holders of a majority in principal amount of the then outstanding notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes).

Without the consent of the Issuer and each holder of notes affected, an amendment, supplement or waiver may not (with respect to any notes held by a non-consenting holder to the extent permitted under the indenture):

(1) reduce the principal amount of notes whose holders must consent to an amendment, supplement or waiver;

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(2) reduce the principal of or change the fixed maturity of any note or alter the provisions with respect to the redemption of the notes (other than, subject to the procedures of the applicable securities depository, if applicable, the number of days in advance of the redemption of notes that notice of redemption must be given);

(3) reduce the rate of or change the time for payment of interest on any note;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium, if any, on the notes (except a rescission of acceleration of the notes by the holders of at least a majority in aggregate principal amount of the then outstanding notes in accordance with the provisions of the indenture and a waiver of the payment default that resulted from such acceleration);

(5) make any note payable in money other than that stated in the notes;

(6) make any change in the provisions of the indenture relating to waivers of past Defaults or the rights of holders of notes to receive payments of principal of, or interest or premium, if any, on the notes or Additional Amounts, if any;

(7) waive a redemption payment with respect to any note;

(8) [Reserved];

(9) expressly subordinate in right of payment the notes to any other indebtedness of the Issuer; or

(10) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of notes, the Issuer and the Trustee may amend, waive, supplement or otherwise modify the indenture or the notes:

(1) to cure any ambiguity, omission, mistake, defect or inconsistency;

(2) to provide for uncertificated notes in addition to or in place of certificated notes;

(3) to provide for the assumption of the Issuer s obligations to holders of notes in the case of a merger, amalgamation or consolidation or sale of all or substantially all of the Issuer s assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of notes or that does not materially adversely affect the legal rights under the indenture of any such holder as set forth in an Officer s Certificate delivered to the Trustee;

(5) to comply with requirements of the Commission in order to effect or maintain the qualification of the indenture under the Trust Indenture Act;

(6) [Reserved];

(7) [Reserved];

(8) to evidence and provide for the acceptance of appointment under the indenture by a successor Trustee;

(9) to comply with the rules of any applicable securities depository;

(10) to conform the text of the indenture or the notes to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended by the Issuer (as demonstrated by an Officer s Certificate) to be a substantially verbatim recitation of a provision of the indenture or the notes;

(11) to add to the covenants of the Issuer for the benefit of the noteholders or surrender any rights or powers conferred upon the Issuer;

(12) subject to any requirements of the applicable securities depository, to provide for a reduction in the minimum denomination of the notes; and

(13) to add collateral securing the notes.

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Concerning the Trustee

If the trustee becomes a creditor of the Issuer, the indenture limits the right of the Trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days or resign.

The holders of a majority in principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The indenture provides that in case an Event of Default occurs and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of such person s own affairs. The Trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of notes, unless such holder has offered to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.

The Trustee assumes no responsibility for the accuracy or completeness of the information concerning the Issuer or its affiliates or any other party contained in this document or the related documents or for any failure by us or any other party to disclose events that may have occurred and may affect the significance or accuracy of such information.

Additional Information

A copy of the form of the indenture is filed as an exhibit to the registration statement of which this prospectus forms a part.

Certain Definitions

Set forth below are certain defined terms used in the indenture. Reference is made to the indenture for a full definition of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

Cash Equivalents means:

(1) United States dollars or Euro or other currency of a member of the Organization for Economic Cooperation and Development (including such currencies as are held as overnight bank deposits and demand deposits with banks);

(2) securities issued or directly and fully guaranteed or insured by the government of the United States or any Member State of the European Union or any other country whose sovereign debt has a rating of at least A3 from Moody s and at least A- from S&P or any agency or instrumentality thereof having maturities of not more than one year from the date of acquisition;

(3) demand and time deposits and eurodollar time deposits and certificates of deposit or bankers acceptances with maturities of one year or less from the date of acquisition, in each case, with any financial institution organized under the laws of any country that is a member of the Organization for Economic Cooperation and Development (a) whose commercial paper is rated at least A-2 or the equivalent thereof by S&P or at least

P-2 or the equivalent thereof by Moody s (or if at the time neither is issuing comparable ratings, then a comparable rating of another Rating Agency) or (b) having capital and surplus and undivided profits in excess of US$250.0 million;

(4) repurchase obligations with a term of not more than 60 days for underlying securities of the types described in clause (2) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper and variable or fixed rate notes rated P-l or higher by Moody s or A-1 or higher by S&P and, in each case, maturing within one year after the date of acquisition;

(6) money market funds that invest primarily in Cash Equivalents of the kinds described in clauses (1) through (5) of this definition;

(7) instruments equivalent to those referred to in clauses (1) through (6) above denominated in any other foreign currency and comparable in credit quality and tenor to those referred to above and customarily to the extent reasonably required in connection with (a) any business conducted by the Issuer in such jurisdiction or (b) any investment in the jurisdiction in which such investment is made; and

(8) local currency held by the Issuer from time to time in the ordinary course of business.

Commission means the U.S. Securities and Exchange Commission.

Default means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

Exchange Act means the U.S. Securities Exchange Act of 1934, as amended from time to time, or any successor statute or statutes thereto and, in each case, the rules and regulations promulgated by the Commission thereunder.

Government Securities means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

guarantee means as to any Person, a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including through letters of credit and reimbursement agreements in respect thereof), of all or any part of any indebtedness of another Person.

Issue Date means, , 2019 the date of the original issuance of the notes under the indenture.

Moody s means Moody s Investors Service, Inc., a subsidiary of Moody s Corporation, and any successor to its rating agency business.

Officer means, with respect to any Person, any of the following: the Chairman of the board of directors or such equivalent entity, the Chief Executive Officer, the Chief Financial Officer, the President, the Chief Operating Officer, any Vice President, any Assistant Vice President, the Treasurer, any Assistant Treasurer, the Secretary, any Assistant Secretary, the Controller or any other officer designated by the relevant board of directors, or such equivalent entity, serving in a similar capacity.

Officer s Certificate means a certificate delivered to the Trustee and signed on behalf of the Issuer by any one Officer of the Issuer, who must be the principal executive officer, the principal financial officer, the treasurer, the controller, the general counsel or the principal accounting officer of the Issuer.

Opinion of Counsel means a written opinion from legal counsel that meets the requirements of the indenture. The counsel may be an employee of, or counsel to, the Issuer. Opinions of Counsel required to be delivered under the indenture may have qualifications customary for opinions of the type required in the relevant jurisdiction or related to the items covered by the opinion and counsel delivering such Opinions of Counsel may rely on certificates of the Issuer or governmental authority or other officials customary for opinions of the type required, including certificates certifying as to matters of fact, including that various covenants have been complied with.

Person means any natural person, corporation, limited partnership, general partnership, limited liability company, limited liability partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof or any other entity, whether legal or not.

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Rating Agencies means Moody s and S&P, or if Moody s or S&P or both shall not make a rating on the notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Issuer which shall be substituted for Moody s or S&P or both, as the case may be.

S&P means S&P Global Ratings (a division of S&P Global Inc.) or any successor to the rating agency business thereof.

Stated Maturity means, with respect to any installment of principal on any series of indebtedness, the date on which the payment of principal was scheduled to be paid in the documentation governing such indebtedness as of the Issue Date (or, if incurred after the Issue Date, as of the date of the initial incurrence thereof) and shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

Tax means any tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and any other liabilities related thereto).

Taxing Authority means any government or political subdivision or territory or possession of any government or any authority or agency therein or thereof having power to tax.

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TERMS OF THE EXCHANGE OFFER AND CONSENT SOLICITATION

No Recommendation

THE EXCHANGE OF SERIES G ADSs AND/OR SERIES H ADSs FOR CASH AND/OR 2024 NOTES IN THE EXCHANGE OFFER MAY NOT BE SUITABLE FOR YOU. NEITHER WE, OUR BOARD OF DIRECTORS, THE INFORMATION AGENT, THE EXCHANGE AGENT, THE DEPOSITARY, NOR ANY AFFILIATE OF ANY OF THE FOREGOING OR ANY OTHER PERSON IS MAKING ANY RECOMMENDATION AS TO WHETHER OR NOT YOU SHOULD TENDER YOUR SERIES G ADSs OR SERIES H ADSs IN THE EXCHANGE OFFER OR WHICH FORM OF CONSIDERATION YOU SHOULD ELECT AS PAYMENT THEREFOR. YOU MUST MAKE YOUR OWN INVESTMENT DECISION REGARDING THE EXCHANGE OFFER BASED UPON YOUR OWN ASSESSMENT OF THE MARKET VALUE OF THE SERIES G ADSs OR SERIES H ADSs AND THE 2024 NOTES, YOUR LIQUIDITY NEEDS, YOUR INVESTMENT OBJECTIVES AND ANY OTHER FACTORS YOU DEEM RELEVANT. BEFORE YOU MAKE YOUR DECISION, WE URGE YOU TO CAREFULLY READ THIS PROSPECTUS IN ITS ENTIRETY, INCLUDING THE INFORMATION SET FORTH UNDER RISK FACTORS AND THE INFORMATION INCLUDED IN THE ANNEXES TO THIS PROSPECTUS. WE ALSO URGE YOU TO CONSULT YOUR OWN FINANCIAL AND TAX ADVISORS IN MAKING YOUR OWN DECISIONS ON WHAT ACTION, IF ANY, TO TAKE IN LIGHT OF YOUR OWN PARTICULAR CIRCUMSTANCES.

Terms of the Exchange Offer

We are offering to acquire Series G ADSs for either (a) $7.25 and/or (b) $8.28 principal amount of 9.75% Senior Notes due 2024, per Series G ADS. We are offering to acquire Series H ADSs for either (a) $7.16 and/or (b) $8.19 principal amount of 9.75% Senior Notes due 2024, per Series H ADS. You may elect to tender any portion of your Series G ADSs or Series H ADSs for cash and any portion of your Series G ADSs or Series H ADSs for 2024 Notes, subject to the applicable cash and 2024 Notes caps and related consideration proration procedures described below under the heading Tender Acceptance Proration Procedures.

If all conditions to the Exchange Offer are satisfied or waived, we will acquire 66 2/3% of each of the outstanding Series G ADSs and/or Series H ADSs from tendering holders, subject to the tender acceptance proration procedures described below in the circumstance where more than 66 2/3% of outstanding Series G ADSs and/or Series H ADSs are validly tendered and not properly withdrawn.

Fractional interest in the 2024 Notes will not be issued in exchange for Series G ADSs or Series H ADSs. Instead, any holder who would otherwise receive a fractional interest in the 2024 Notes will have its distribution of 2024 Notes rounded down to the nearest $25.00 denomination. You will receive cash in lieu of any entitlement to a fraction of a 2024 Note.

For a detailed description of the 2024 Notes, see Description of Notes.

You may validly withdraw Series G ADSs or Series H ADSs that you tender at any time prior to the Expiration Date, which is 5:00 p.m., New York City Time, on March 1, 2019, unless we extend it. Any Series G ADSs or Series H ADSs not accepted will be credited back to the appropriate account promptly following the expiration or termination of the Exchange Offer. In addition, after the expiration of the Exchange Offer, you may withdraw any Series G ADSs or Series H ADSs that you tendered that are not accepted by us for exchange after the expiration of 40 business days following commencement of the Exchange Offer.

Our obligation to accept existing Series G ADSs and Series H ADSs that are tendered is subject to the conditions described below under Conditions of the Exchange Offer.

Terms of the Consent Solicitation

Concurrently with the Exchange Offer, we are also soliciting consents from holders of 66 2/3% of each of the Series G ADSs and the Series H ADSs to amend and restate the respective certificates of designation under

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which each of the Series G Preferred Shares and Series H Preferred Shares were issued to eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends from any past periods or future periods and to amend certain voting rights. The tender by a holder of Series G ADSs or Series H ADSs that are accepted for exchange pursuant to this Exchange Offer will constitute the granting of consent by such holder to the respective proposed amended and restated Series G Preferred Shares or Series H Preferred Shares certificate of designation with respect to the number of Preferred Shares represented by those ADSs. If 66 2/3% of either of the Series G ADSs or Series H ADSs consent to the Proposed Amendments, such consent will be provided as an instruction to The Bank of New York Mellon, the Depositary, as the only holder of Preferred Shares, to consent in favor of the Proposed Amendments with respect to the Preferred Shares underlying the tendered ADSs. However, the Proposed Amendments will not become effective until the Exchange Offer is completed and the amended and restated certificates of designation approved by the holders of the majority of our outstanding Common Stock in a future vote.

The Proposed Amendments, if adopted, will eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods and to amend certain voting rights, including:

- eliminating the requirement that future unpaid dividends accrue for payment in the future;
- eliminating all previously accrued and unpaid dividends on the Preferred Shares and any obligation of Navios Holdings to pay such accrued and unpaid dividends at any time in the future, including on liquidation;
- amending the restriction on paying dividends on junior securities from being in effect so long as cumulative dividends on the Preferred Stock are in arrears to only being in effect in any quarter in which a dividend on the Preferred Shares has not been declared or paid in respect of such quarter;
- eliminating the increase of the dividend rate on the Preferred Shares in the event Navios Holdings Articles of Incorporation are not amended to permit the holders of the Preferred Shares to elect a director if and when six or more quarterly dividends are in arrears;
- eliminating the requirement that, without the affirmative vote or consent of the holders of at least 66 2/3% of the outstanding series of Preferred Shares, voting as a class together with holders of any other parity securities, if the cumulative dividends payable on outstanding Preferred Shares are in arrears, Navios Holdings shall not issue any parity securities; and
- eliminating the requirement that, in the event that full cumulative dividends on the Preferred Shares and any parity securities shall not have been declared or paid and set apart for payment, none of Navios Holdings or any Affiliate of Navios Holdings may repurchase, redeem or otherwise acquire any series of Preferred Shares or parity securities or any junior securities, including Common Stock.

Approval of the majority of our outstanding Common Stock, and at least 66 2/3% of each of the outstanding Preferred Shares of a given series must be received in order to amend and restate the applicable certificate of designation to

reflect the Proposed Amendments. If the requisite approval is received with respect to the Series G Preferred Shares and/or the Series H Preferred Shares, and if we receive the approval of the holders of the majority of our outstanding Common Stock, we will be able to amend and restate the certificates of designation to give effect to the Proposed Amendments without the approval of any other holder of Series G ADSs and Series H ADSs. Each non-exchanging holder of Series G ADSs and/or Series H ADSs, including holders of Series G ADSs and/or Series H ADSs who tendered their Series G ADSs and/or Series H ADSs but had some of such ADSs returned as a result of the Tender Acceptance Proration Procedures described below, will be bound by the applicable amended and restated certificate of designation giving effect to the Proposed Amendments even if such holder did not give its consent. If the Exchange Offer is terminated or withdrawn, the Proposed Amendments will not become effective and all consents received as a result of this Exchange Offer will be deemed revoked. For more complete information regarding the restrictive covenants, dividend rights and voting rights affected, we urge you to review the existing certificates of designation for the Series G Preferred Shares

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and Series H Preferred Shares and the proposed amended and restated certificate of designation. See Where You Can Find More Information and see Annex C-1 Form of Amended and Restated Series G Preferred Shares Certificate of Designation and Annex C-2 Form of Amended and Restated Series H Preferred Shares Certificate of Designation.

Georgeson LLC is acting as Information Agent and The Bank of New York Mellon is acting as Exchange Agent in connection with the Exchange Offer. The Information Agent may contact holders of Series G ADSs or Series H ADSs by mail, telephone, facsimile and/or other customary means and may request brokers and other securities intermediaries to forward materials relating to the Exchange Offer to beneficial owners. The Information Agent and the Exchange Agent will each receive reasonable and customary compensation for their respective services and will be reimbursed by us for reasonable out-of-pocket expenses. The Information Agent and the Exchange Agent will be indemnified against certain liabilities in connection with the Exchange Offer, including certain liabilities under the federal securities laws.

In addition, we will request that brokers and other securities intermediaries forward copies of this prospectus to the beneficial owners of Series G ADSs and Series H ADSs, and will provide reimbursement for the cost of forwarding such material. In addition, we may pay certain fees or commissions to brokers, other securities intermediaries or other persons (other than as described above) for soliciting tenders and related consents of Series G ADSs and Series H ADSs.

You should rely only on the information contained in this prospectus. Except as described above, we have no arrangements for and have no understanding with any dealer, salesman or other person regarding the solicitation of tenders and related consents hereunder. None of us, the Depositary, the Exchange Agent or the Information Agent has authorized any other person to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither the delivery of this prospectus nor any exchange made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Navios Holdings or its subsidiaries since the respective dates as of which information is given in this prospectus. We are offering to acquire, and are seeking tenders and related consents of, the Series G ADSs or Series H ADSs only in U.S. jurisdictions where the offers or tenders and related consents are permitted pursuant to the laws of such jurisdiction.

Any fees due to the Depositary for cancellation of the tendered Series G ADSs and Series H ADSs will be paid by Navios Holdings. Holders who tender their Series G ADSs or Series H ADSs through a broker or other securities intermediary may be charged a fee by their broker or other securities intermediary for doing so. Such holders should consult their broker or other securities intermediary to determine whether any charges will apply.

The Expiration Date is 5:00 p.m., New York City Time, on March 1, 2019, unless we extend the period of time for which the Exchange Offer with respect to Series G ADSs or Series H ADSs is open, in which case the Expiration Date would be the latest time and date on which the Exchange Offer with respect to such series of Series G ADSs or Series H ADSs, as so extended, expires.

DTC and its direct and indirect participants will establish their own cutoff dates and times to receive instructions to tender in this Exchange Offer, which will be earlier than the Expiration Date. You should contact your broker or other securities intermediary to determine the cutoff date and time applicable to you.

If the Exchange Offer expires or terminates without any Series G ADSs or Series H ADSs being accepted by us following the expiration or termination of the Exchange Offer, you will continue to hold your Series G ADSs or Series H ADSs, which will not be subject to the Proposed Amendments.

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Conditions of the Exchange Offer and Consent Solicitation

The Exchange Offer and Consent Solicitation are subject to, and conditional upon, the satisfaction or, where permitted, the waiver of, the following conditions:

1. The SEC having declared the registration statement of which this prospectus forms a part effective;

2. no litigation arises regarding the Exchange Offer and Consent Solicitation:

   that challenges or seeks to make illegal, materially delay, restrain or prohibit the Exchange Offer or our acceptance of tendered Series G ADSs or Series H ADSs and is likely to be successful; or

   which could have a material adverse effect on us;

3. no governmental authority issues an order or takes any action restraining, enjoining or prohibiting or materially delaying or preventing the consummation of the Exchange Offer;

4. the consummation of the Exchange Offer does not violate any law, rule or regulation applicable to us, including the distribution limitations under the Republic of the Marshall Islands law;

5. no law, rule, regulation or governmental order becomes applicable to us or the transactions contemplated by the Exchange Offer that could result, directly or indirectly, in the consequences described under condition 2 above; or

6. no situation arises that could render the delivery of the 2024 Notes in exchange for Series G ADSs or Series H ADSs or the adoption of the Proposed Amendments impermissible under the Republic of the Marshall Islands law.

With respect to one or both series of ADSs, we will, in our reasonable judgment, determine whether each condition to the Exchange Offer has been satisfied or may be waived and whether any such condition(s) should be waived. We may, at our option and sole discretion, waive any such condition, except the condition that the registration statement of which this prospectus forms a part has been declared effective by the SEC. If any condition to the Exchange Offer with respect to one or both series of ADSs is unsatisfied on the Expiration Date and we do not or cannot waive such condition, the Exchange Offer with respect to one or both series of ADSs will expire and we will not accept the Series G ADSs and/or Series H ADSs that have been validly tendered. In addition, we reserve the right, in our sole discretion, but subject to applicable law, to terminate the Exchange Offer at any time prior to the Expiration Date.

See The Exchange Offer Conditions of the Exchange Offer and The Exchange Offer Extension, Termination and Amendment.

Tender Acceptance Proration Procedures

Upon the terms and subject to the conditions of the Exchange Offer, we will accept for tender 946,100 (representing approximately 66 2/3%) of the outstanding Series G ADSs and 1,907,600 (representing approximately 66 2/3%) of the outstanding Series H ADSs. The tender acceptance proration procedures described below will apply if either the Series G ADSs or the Series H ADSs are tendered in excess the number of Series G ADSs or Series H ADSs sought in the Exchange Offer.

As of February 15, 2019, there were 1,419,055 outstanding Series G ADSs and 2,861,128 outstanding Series H ADSs. Accordingly, the proration thresholds are:

(1) 946,100 Series G ADSs, validly tendered and not properly withdrawn (the Series G ADS Proration Threshold) and

(2) 1,907,600 Series H ADSs, validly tendered and not properly withdrawn (the Series H ADS Proration Threshold).

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Where more than 946,100 (representing approximately 66 2/3%) of the outstanding Series G ADSs are tendered for exchange, the Series G ADSs will be accepted for tender from holders who validly tendered and did not properly withdraw their Series G ADSs on a pro rata basis based on the following calculation (the Series G Prorated Amount): (A) (i) the Series G ADS Proration Threshold *divided by* (ii) the cumulative number of Series G ADSs actually tendered by holders of the Series G ADSs *multiplied by* (B) the number of Series G ADSs actually tendered by the relevant holder of the Series G ADSs. However, in applying the proration procedure to the individual tenders made by holders of the Series G ADSs, including DTC participants, the Exchange Agent may make adjustments approved by Navios Holdings, up or down, so that no fraction of an ADS is purchased from any holder of Series G ADSs, including any DTC participant.

Where more than 1,907,600 (representing approximately 66 2/3%) of the outstanding Series H ADSs are tendered for exchange, the Series H ADSs will be accepted for tender from holders who validly tendered and did not properly withdraw their Series H ADSs on a pro rata basis based on the following calculation (the Series H Prorated Amount): (A) (i) the Series H ADS Proration Threshold *divided by* (ii) the cumulative number of Series H ADSs actually tendered by holders of the Series H ADSs *multiplied by* (B) the number of Series H ADSs actually tendered by the relevant holder of the Series H ADSs. However, in applying the proration procedure to the individual tenders made by holders of the Series H ADSs, including DTC participants, the Exchange Agent may make adjustments approved by Navios Holdings, up or down, so that no fraction of an ADS is purchased from any holder of Series H ADSs, including any DTC participant.

We will tender for the Series G Prorated Amount and the Series H Prorated Amount from each holder who validly tendered and did not properly withdraw their Series G ADSs and Series H ADSs, as applicable, if we effect a proration of the Exchange Offer with respect to either the Series G ADSs or the Series H ADSs. Any remaining tendered Series G ADSs and Series H ADSs that have not been accepted for exchange as a result of proration will be returned to tendering holders promptly after the consummation of the Exchange Offer. Such returned Series G ADSs and/or Series H ADSs all be subject to the Proposed Amendments, if adopted.

Consideration Elections and Consideration Proration

When you tender Series G ADSs or Series H ADSs, you may request:

(i) $7.25 in cash for every Series G ADS or $7.16 in cash for every Series H ADS validly tendered and not validly withdrawn (a Cash Election) and/or

(ii) $8.28 principal amount of 2024 Notes for every Series G ADS or $8.19 principal amount of 2024 Notes for every Series H ADS validly tendered and not validly withdrawn (a 2024 Notes Election).

If the Exchange Offer is completed with respect to the Series G ADSs and/or the Series H ADSs, the consideration to be received for the Series G ADSs and Series H ADSs shall be at the holder s election, subject to the next sentence. No more than 50% of the number of Series G ADSs and no more than 50% of the number of Series H ADSs validly tendered and accepted will receive cash consideration (each, a cash cap). If more than 50% of the Series G ADSs and/or more that 50% of the Series H ADSs are validly tendered and accepted for exchange, after giving effect to the proration described in Tender Acceptance Proration Procedures, have made a Cash Election, they will be subject to consideration proration and all such Series G ADSs and/or Series H ADSs in excess of the applicable cash cap will be deemed to have been tendered for, and will automatically receive, 2024 Notes. However, to the extent the cash cap for one series of ADSs is not reached and the cash cap for the other series of ADSs is reached, we will allocate such unutilized amounts to satisfy cash elections in excess of the cash cap for the other series of ADSs, on a pro rata basis.

For example, if 60% of Series G ADSs tendered made a Cash Election and 40% made a 2024 Notes Election and 30% of Series H ADSs tendered made a Cash Election and 70% made a 2024 Notes Election, the amount of the Series G ADSs exchanged for cash under the Cash Election would be reduced to 50%, however, the

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unutilized cash cap relating to the Series H ADSs would be applied to satisfy additional Series G ADSs Cash Elections. Conversely, if 60% of both Series G ADSs and Series H ADSs tendered made a Cash Election and 40% made a 2024 Notes Election, a tendering holder making a full Cash Election would receive cash for approximately 83.3% of its tendered Series G ADSs or Series H ADSs, and would receive 2024 Notes for the remaining approximately 16.7% of its tendered Series G ADSs or Series H ADSs, subject to adjustment for fractional interests, if any.

No more than $7.8 million of 2024 Notes will be issued as consideration for Series G ADSs and no more than $7.8 million of 2024 Notes will be issued as consideration for Series H ADSs and any Series G ADSs or Series H ADSs tendered in excess of this limitation will be deemed to have made a cash election instead. To the extent that holders of either the Series G ADSs or Series H ADSs made elections that would cause fewer than $7.8 million of 2024 Notes to be issued in respect of such series then unused amounts of 2024 Notes will be allocated to the extent necessary to satisfy elections of 2024 Notes for the other series.

Fractional 2024 Notes

Fractional interest in the 2024 Notes will not be issued in exchange for Series G ADSs or Series H ADSs. Instead, any holder who would otherwise receive a fractional interest in the 2024 Notes will have its distribution of 2024 Notes rounded down to the nearest $25.00 denomination. You will receive cash in lieu of any entitlement to a fraction of a 2024 Note equal to the principal amount of that fraction.

Extension, Termination and Amendment

We expressly reserve the right, at any time and from time to time, to extend the period of time during which the Exchange Offer and Consent Solicitation with respect to the Series G ADSs and/or Series H ADSs is open, in our sole discretion. We will extend the Expiration Date if required by applicable law or regulation or for any reason we deem appropriate. During any such extension, all Series G ADSs or Series H ADSs previously tendered and not properly withdrawn will remain subject to the Exchange Offer and subject to your right to withdraw your Series G ADSs or Series H ADSs in accordance with the terms of the Exchange Offer.

Subject to the SEC s applicable rules and regulations, we reserve the right, at any time or from time to time, to:

- amend or make changes to the terms of the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs, including the conditions to the Exchange Offer and Consent Solicitation;

- delay our acceptance or our acquisition of any Series G ADSs or Series H ADSs pursuant to the Exchange Offer or terminate the Exchange Offer and not accept or acquire any Series G ADSs and/or Series H ADSs not previously accepted or acquired, upon the determination that any of the conditions of the Exchange Offer have not been satisfied, as determined by us; and

- waive any condition.

We will follow any extension, termination, amendment or delay, as promptly as practicable, with a public announcement. In the case of an extension, any such announcement will be issued no later than 9:00 a.m., New York City Time, on the next business day after the previously scheduled Expiration Date. If we amend the Exchange Offer

and Consent Solicitation with respect to one or both series of ADSs in a manner we determine to constitute a material change, we will promptly disclose the amendment as required by law and, depending on the significance of the amendment and the manner of disclosure to the registered holders, we will extend the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs as required by law if the Exchange Offer and Consent Solicitation would otherwise expire during that period.

Without limiting the manner in which we may choose to make public announcements of any delay in acceptance, extension termination or amendment of the Exchange Offer and Consent Solicitation with respect to

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one or both series of ADSs, we will have no obligation to publish, advertise or otherwise communicate any public announcement, other than by making a timely release to an appropriate news agency.

If we make a material change in the terms of the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs or the information concerning the Exchange Offer and Consent Solicitation, or if we waive a material condition of the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs, we will extend the Exchange Offer and Consent Solicitation to the extent required under the Exchange Act. If, prior to the Expiration Date, we increase or decrease the percentage of Series G ADSs and/or Series H ADSs being sought or increase or decrease the consideration, or change the type of consideration, offered to holders of Series G ADSs and/or Series H ADSs, such modification will be applicable to all holders of Series G ADSs and/or Series H ADSs whose Series G ADSs or Series H ADSs are accepted pursuant to the Exchange Offer and Consent Solicitation and, if, at the time notice of any such modification is first published, sent or given to holders of Series G ADSs and/or Series H ADSs, the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs is scheduled to expire at any time earlier than the tenth business day from and including the date that such notice is first so published, sent or given, the Exchange Offer and Consent Solicitation will be extended until the expiration of such ten business day period. For purposes of the Exchange Offer and Consent Solicitation, a business day means any day other than a Saturday, Sunday or a federal holiday and consists of the time period from 12:01 a.m. through 11:59 p.m., New York City Time.

We reserve the right, in our sole discretion, but subject to applicable law, to terminate the Exchange Offer and Consent Solicitation with respect to one or both series of ADSs at any time prior to the Expiration Date.

Proposed Amended and Restated Certificates of Designation Sought in the Consent Solicitation

The Proposed Amendments are provided in the form of amended and restated certificates of designation, copies of which are attached as Annex C-1 and Annex C-2, respectively. Upon our receipt of consents representing 66 2/3% of the outstanding Series G Preferred Shares and Series H Preferred Shares, respectively, and after a subsequent vote of the holders of the majority of our outstanding Common Stock, the respective amended and restated certificates of designation will become operative and effective. The amended and restated certificates of designation, if adopted, will be binding on all the holders of Preferred Shares who do not tender their Series G ADSs or Series H ADSs in the Exchange Offer or who tenders all or a portion of their Series G ADSs or Series H ADSs but some or all of such ADSs were returned as a result of the tender acceptance proration procedures described above. The Proposed Amendments if adopted and operative, will eliminate substantially all of the restrictive covenants and our obligation to pay or accrue any unpaid dividends for any past periods or future periods and amend certain voting rights in the Series G Preferred Shares and Series H Preferred Shares certificates of designation. For more complete information regarding the certificates of designation, you should consult our existing Series G Preferred Shares and Series H Preferred Shares certificates of designation, and the forms of amended and restated certificates of designation, copies of which are attached as Annex C-1 and Annex C-2, respectively.

The Proposed Amendments would:

- eliminate the requirement that future unpaid dividends accrue for payment in the future;

- eliminate all previously accrued and unpaid dividends on the Preferred Shares and any obligation of Navios Holdings to pay such accrued and unpaid dividends at any time in the future, including on liquidation;

amend the restriction on paying dividends on junior securities from being in effect so long as cumulative dividends on the Preferred Stock are in arrears to only being in effect in any quarter in which a dividend on the Preferred Shares has not been declared or paid in respect of such quarter;

eliminate the increase of the dividend rate on the Preferred Shares in the event Navios Holdings Articles of Incorporation are not amended to permit the holders of the Preferred Shares to elect a director if and when six or more quarterly dividends are in arrears;

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- eliminate the requirement that, without the affirmative vote or consent of the holders of at least 66 2/3% of the outstanding series of Preferred Shares, voting as a class together with holders of any other parity securities, if the cumulative dividends payable on the outstanding Preferred Shares are in arrears; and

- eliminate the requirement that, in the event that full cumulative dividends on the Preferred Shares and any parity securities shall not have been declared or paid and set apart for payment, none of Navios Holdings or any Affiliate of Navios Holdings may repurchase, redeem or otherwise acquire any series of Preferred Shares or parity securities or any junior securities, including Common Stock.

The definitions relating solely to the eliminated covenants will also be eliminated. Some other sections of the Preferred Shares certificates of designation may be amended to reflect the elimination or amendments of the foregoing provisions.

The Proposed Amendments require the consent of holders of 66 2/3% of the outstanding Series G Preferred Shares and Series H Preferred Shares, each acting as a separate class, as well as the affirmative vote of the holders of the majority of our outstanding Common Stock.

If the Proposed Amendments become effective with regards to either or both series of Preferred Shares:

- we will, as soon as practicable, transmit a notice describing the amended and restated certificates of designation to all registered holders of our Series G Preferred Shares and/or Series H Preferred Shares, as applicable, that remain outstanding; and

- non-tendering holders, including holders of Series G ADSs and/or Series H ADSs who tendered their Series G ADSs and/or Series H ADSs but had some of such ADSs returned as a result of the proration procedures described below, will hold their Preferred Shares under the respective Preferred Shares certificate of designation, as amended and restated, whether or not that holder consented to the Proposed Amendments.

The tender by a holder of Series G ADSs or Series H ADSs that are accepted for exchange pursuant to this Exchange Offer will constitute the granting of consent by such holder to the Proposed Amendments with respect to the number of Preferred Shares those ADSs represent, as applicable. If 66 2/3% of either of the Series G ADSs or Series H ADSs consent to the Proposed Amendments, such consent will be provided as an instruction to The Bank of New York Mellon, the Depositary, as the only holder of Preferred Shares, to consent in favor of the Proposed Amendments with respect to the Preferred Shares underlying the tendered ADSs. We are not soliciting and will not accept consents from holders who are not tendering their Series G ADSs or Series H ADSs pursuant to the Exchange Offer.

The Proposed Amendments constitute a single proposal with respect to each of the certificates of designation for each of the Series G Preferred Shares and Series H Preferred Shares, respectively, and a tendering and consenting holder must consent to the Proposed Amendments in their entirety and may not consent selectively with respect to certain of the Proposed Amendments.

The elimination and modification effected by the amended and restated certificates of designation for the Series G Preferred Share and/or the Series H Preferred Shares, as applicable, of the covenants and other provisions set forth in the Proposed Amendments will not become operative unless and until the Series G ADSs and/or Series H ADSs, as applicable, are accepted for exchange by us and, such amended and restated certificates of designation, as applicable, are approved by the holders of the majority of our outstanding Common Stock.

If the proposed amended and restated certificates of designation become effective, they will apply to all of the Series G Preferred Shares and/or Series H Preferred Shares and each holder of such shares that are not properly tendered and accepted for payment hereunder, including holders of Series G ADSs and/

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or Series H ADSs who tendered their Series G ADSs and/or Series H ADSs but had some of such ADSs returned as a result of the proration procedures described above, will be bound by Proposed Amendments regardless of whether the holder consented to the Proposed Amendments. The Preferred Shares underlying Series G ADSs or Series H ADSs that are not tendered and accepted for payment pursuant to the Exchange Offer will remain obligations of Navios Holdings.

Tender of Series G ADSs or Series H ADSs; Acceptance of Series G ADSs or Series H ADSs

Upon the terms and subject to the conditions of the Exchange Offer (including, if the Exchange Offer is extended or amended, the terms and conditions of any such extension or amendment), we will acquire, promptly after the Expiration Date, by accepting, Series G ADSs or Series H ADSs validly tendered and not properly withdrawn promptly after the Expiration Date. The settlement date is expected to be as soon as practicable after Expiration Date. In addition, subject to the applicable rules of the SEC, we expressly reserve the right to delay acceptance of, or the acquisition of, any Series G ADSs and/or Series H ADSs in order to comply with any applicable law. The reservation of this right to delay the acceptance or acquisition of, or payment for, the Series G ADSs and/or Series H ADSs is subject to the provisions of Rule 14e-1(c) under the Exchange Act, which requires us to pay the consideration offered or to return the Series G ADSs or Series H ADSs deposited by, or on behalf of, holders, promptly after the termination or withdrawal of the Exchange Offer.

For purposes of the Exchange Offer, we will be deemed to have accepted (and thereby acquired) Series G ADSs and Series H ADSs validly tendered, not properly withdrawn, and subject to proration if necessary, if and when we notify the Exchange Agent of our acceptance of the tenders of Series G ADSs or Series H ADSs pursuant to the Exchange Offer. Upon the terms and subject to the conditions of the Exchange Offer, (i) with respect to the cash consideration, we will pay cash by wire transfer to the Exchange Agent, which will then be paid to holders entitled to receive cash and (ii) with respect to 2024 Notes consideration, we will deliver the 2024 Notes to the Exchange Agent, which will act as agent for tendering holders entitled to receive 2024 Notes consideration for the purpose of receiving the 2024 Notes consideration from us and transmitting the 2024 Notes through a book-entry transfer or otherwise to such tendering holders receiving 2024 Notes consideration. 2024 Notes delivered to tendering holders of Series G ADSs and Series H ADSs that hold through securities accounts with direct or indirect participants in DTC will be registered in the name of DTC s nominee and security entitlements will be allocated by DTC and DTC participants to those holders securities accounts.

Under no circumstances will we pay interest on the consideration payable for Series G ADSs or Series H ADSs, regardless of any delay in making such delivery or extension of the Expiration Date.

If, prior to the Expiration Date, we increase the consideration to be paid for each Series G ADS or Series H ADS tendered pursuant to this Exchange Offer, we will pay or deliver such increased consideration for all such Series G ADSs or Series H ADSs acquired pursuant to the Exchange Offer, whether or not such Series G ADSs or Series H ADSs were tendered prior to such increase in consideration.

If certain events occur, we may not be obligated to acquire Series G ADSs and/or Series H ADSs pursuant to the Exchange Offer. See Summary Conditions of the Exchange Offer.

In all cases, delivery to a tendering holder of the consideration for Series G ADSs and/or Series H ADSs accepted pursuant to the Exchange Offer will be made only after timely receipt by the Exchange Agent of the confirmation of a book-entry transfer of the Series G ADSs or Series H ADSs into the designated account at DTC (the book-entry transfer facility) (a Book-Entry Confirmation) pursuant to the procedures set forth in The Exchange Offer Procedure for Tendering.

If we do not accept any tendered Series G ADSs and/or Series H ADSs pursuant to the terms and conditions of the Exchange Offer for any reason, those Series G ADSs and/or Series H ADSs will be credited back to the appropriate account promptly following expiration or termination of the Exchange Offer.

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All Series G ADSs and Series H ADSs that are validly tendered and accepted by us in the Exchange Offer will, upon our instruction, be surrendered by the Exchange Agent to the Depositary for cancellation, and the Preferred Shares underlying those Series G ADSs or Series H ADSs will be delivered by the Depositary s custodian to us for cancellation.

Procedure for Tendering

In order for a holder that holds Series G ADSs or Series H ADSs in a securities account with a broker or other securities intermediary to validly tender Series G ADSs or Series H ADSs pursuant to the Exchange Offer, the Series G ADSs and Series H ADSs must be tendered pursuant to the procedure for book-entry transfer described below and a Book-Entry Confirmation must be received by the Depositary prior to the Expiration Date. The Depositary will designate accounts with respect to the Series G ADSs and Series H ADSs at DTC, the book-entry transfer facility, for purposes of the Exchange Offer within two business days after the date of this prospectus. The holder should instruct its broker or other securities intermediary to make the appropriate election on its behalf when they tender Series G ADSs or Series H ADSs through DTC. The holder may change its election by transmitting, or instructing its broker, dealer or other nominee to transmit, revised election information through DTC. Any securities intermediary that is a participant in the system of DTC may make a book-entry delivery of Series G ADSs or Series H ADSs by causing DTC to transfer those Series G ADSs or Series H ADSs into a designated account at DTC in accordance with DTC s procedures for transfer. The securities intermediary must also send the Exchange Agent an Agent s Message, which is a message transmitted to the Exchange Agent by the tendering DTC participant confirming that the participant has received a copy of the Offer to Exchange and that Navios Holdings may enforce the terms of the Exchange Offer against the participant.

Holders of Series G ADSs and/or Series H ADSs who are unable to deliver confirmation of the book-entry tender of their Series G ADSs and/or Series H ADSs into the Exchange Agent s account at DTC on or prior to the Expiration Date must tender their Series G ADSs and/or Series H ADSs according to the guaranteed delivery procedures described below.

Fees. If you tender your Series G ADSs or Series H ADSs, you will not be obligated to pay any charges or expenses of the Depositary or any brokerage commissions. If you own your Series G ADSs or Series H ADSs through a broker or other securities intermediary, and your broker or other securities intermediary tenders the Series G ADSs or Series H ADSs on your behalf, such institution may charge you a fee for doing so. You should consult your broker or other securities intermediary to determine whether any charges will apply.

Transfer Taxes. We will pay any transfer taxes imposed by the United States or the Republic of the Marshall Islands or any jurisdiction therein with respect to the exchange of Series G ADSs or Series H ADSs pursuant to the Exchange Offer (for the avoidance of doubt, transfer taxes do not include income or back-up withholding taxes). If a transfer tax is imposed for any reason other than the exchange of Series G ADSs or Series H ADSs pursuant to the Exchange Offer, or by any jurisdiction outside the United States or the Republic of the Marshall Islands, then the amount of such transfer tax (whether imposed on the registered holder or any other person) will be payable by the tendering holders.

Guaranteed Delivery Procedures

Holders wishing to tender their Series G ADSs and/or Series H ADSs but whose Series G ADSs and/or Series H ADSs are not immediately available or who cannot deliver such Series G ADSs and/or Series H ADSs or any other available required documents to the Exchange Agent or comply with the applicable procedures under DTC s ATOP system prior to the Expiration Date may tender if:

the tender is made through an eligible institution;

prior to the Expiration Date, the Exchange Agent receives from the eligible institution a properly completed and duly executed notice of guaranteed delivery, by mail, overnight courier or pdf email

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guaranteeing that, within two NYSE trading days, a book-entry confirmation, and any other required documents will be deposited by the eligible institution with the Exchange Agent and the Exchange Agent receives a book-entry confirmation and all other documents required within two New York Stock Exchange trading days after the date of the notice of guaranteed delivery.

Upon request to the Exchange Agent, a notice of guaranteed delivery will be sent to holders who wish to tender their Series G ADSs and/or Series H ADSs according to the guaranteed delivery procedures set forth above.

Effects of Tenders

By tendering your Series G ADSs and/or Series H ADSs as set forth above, you irrevocably appoint the Exchange Agent and Navios Holdings and their designees as your attorneys-in-fact and proxies, each with full power of substitution, to the full extent of your rights with respect to your Series G ADSs and/or Series H ADSs tendered and accepted by us, including to (i) transfer the tendered Series G ADSs and/or Series H ADSs to, or to the order of, Navios Holdings, (ii) surrender the tendered Series G ADSs and/or Series H ADSs and instruct the Depositary to deliver the underlying Preferred Shares to, or to the order of, Navios Holdings and (iii) instruct the Depositary to consent in favor of the Proposed Amendments with respect to the Preferred Shares underlying the tendered ADSs, with respect to each applicable series of Preferred Shares. Such appointment will be automatically revoked with respect to any Series G ADSs or Series H ADSs that you have tendered but that are not accepted for exchange. All such powers and proxies shall be considered coupled with an interest in the tendered Series G ADSs or Series H ADSs and therefore shall not be revocable; provided that the Series G ADSs or Series H ADSs tendered pursuant to the Exchange Offer may be withdrawn at any time on or prior to the Expiration Date, as it may be extended by us, and unless theretofore accepted and not returned as provided for herein, may also be withdrawn after the expiration of 40 business days following the commencement of the Exchange Offer, subject to the withdrawal rights and procedures set forth below. Upon the effectiveness of such appointment, all prior proxies or consents given by you will be revoked, and no subsequent proxies or consents may be given (and, if given, will not be deemed effective) unless the tendered Series G ADSs and/or Series H ADSs are validly withdrawn.

We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any tender of Series G ADSs or Series H ADSs in the Exchange Offer, and our determination shall be final and binding, subject to a holder challenging our determination in a court of competent jurisdiction and such court issuing a judgment to the contrary. We reserve the right to reject any and all tenders of Series G ADSs or Series H ADSs in the Exchange Offer determined by us not to be in proper form or the acceptance or acquisition of which may, in our opinion, be unlawful. No alternative, conditional or contingent tenders will be accepted and no fractional Series G ADSs or Series H ADSs will be purchased.

Subject to the applicable rules and regulations of the SEC, we also reserve the right to waive, prior to the Expiration Date, in our sole discretion, any of the conditions to the Exchange Offer, including the absolute right to waive any defect or irregularity in the tender of any Series G ADSs or Series H ADSs in the Exchange Offer. No tender of Series G ADSs or Series H ADSs in the Exchange Offer will be deemed to have been made until all defects and irregularities in the tender of such Series G ADSs or Series H ADSs in the Exchange Offer have been cured or waived. Neither we, the Exchange Agent, the Information Agent nor any other person will be under any duty to give notification of any defects or irregularities in the tender of any Series G ADSs or Series H ADSs in the Exchange Offer or will incur any liability for failure to give any such notification. Our interpretation of the terms and conditions of the Exchange Offer will be final and binding, subject to a challenge to our determination in a court of competent jurisdiction and such court issuing a judgment to the contrary.

Rule 14e-4 Net Long Position Requirement

It is a violation of Rule 14e-4 (promulgated under the Exchange Act) for a person, directly or indirectly, to tender securities in a partial tender offer for their own account unless the person so tendering their securities

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(a) has a net long position equal to or greater than the aggregate principal amount of the securities being tendered and (b) will cause such securities to be delivered in accordance with the terms of the tender offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Series G ADSs or Series H ADSs in the Exchange Offer under any of the procedures described above will constitute the tendering holder s representation and warranty that (a) such holder has a net long position in the Series G ADSs or Series H ADSs being tendered pursuant to the Exchange Offer within the meaning of Rule 14e-4 under the Exchange Act and (b) the tender of such Series G ADSs or Series H ADSs complies with Rule 14e-4.

The tender of Series G ADSs or Series H ADSs, pursuant to any of the procedures described above, will constitute a binding agreement between you and us upon the terms and subject to the conditions of the Exchange Offer.

Withdrawal of Tenders and Revocation of Corresponding Consents

You may validly withdraw Series G ADSs or Series H ADSs that you tender at any time prior to the Expiration Date, which is 5:00 p.m., New York City Time, on March 1, 2019, unless we extend it. Any Series G ADSs or Series H ADSs not accepted will be credited back to the appropriate account promptly following the expiration or termination of the Exchange Offer. In addition, after the expiration of the Exchange Offer, you may withdraw any Series G ADSs or Series H ADSs that you tendered that are not accepted by us for exchange after the expiration of 40 business days following commencement of the Exchange Offer.

For a withdrawal to be effective, a withdrawal of Series G ADSs or Series H ADSs must comply with the appropriate DTC procedures prior to the Expiration Date or, if your Series G ADSs or Series H ADSs are not previously accepted for exchange by us, after the expiration of 40 business days following the commencement of the Exchange Offer.

If we extend the Exchange Offer, are delayed in our acceptance of the Series G ADSs or Series H ADSs or are unable to accept Series G ADSs or Series H ADSs pursuant to the Exchange Offer for any reason, then, without prejudice to our rights under the Exchange Offer, the Exchange Agent may retain tendered Series G ADSs or Series H ADSs, and those Series G ADSs or Series H ADSs may not be withdrawn except as otherwise provided in this prospectus, subject to provisions under the Exchange Act that provide that an issuer making a tender offer shall either pay the consideration offered or return tendered securities promptly after the termination or withdrawal of the Exchange Offer.

All questions as to the validity, form and eligibility, including time or receipt, of notices of withdrawal will be determined by us. Our determination will be final and binding on all parties, subject to a holder challenging our determination in a court of competent jurisdiction and such court issuing a judgment to the contrary. Any Series G ADSs or Series H ADSs withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer, and no consideration will be given, unless the Series G ADSs or Series H ADSs so withdrawn are validly re-tendered and not properly withdrawn. Properly withdrawn Series G ADSs or Series H ADSs may be re-tendered by following the procedures described above under Terms of the Exchange Offer And Consent Solicitation Procedure for Tendering at any time prior to the Expiration Date.

None of us, the Exchange Agent, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or will incur any liability for failure to give any such notification. Any Series G ADSs or Series H ADSs properly withdrawn will be deemed to not have been validly tendered for purposes of the Exchange Offer.

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Source and Amount of Funds

The Exchange Offer is not conditioned upon our receipt of financing. We intend to fund all cash payments to the holders of Series G ADSs or Series H ADSs pursuant to the Exchange Offer, including any payments for fractional shares of 2024 Notes, with cash on hand.

Liquidity; Listing

The Series G ADSs and Series H ADSs are both currently listed and traded on the NYSE.

Following the completion of the Exchange Offer, the number of Series G ADSs or Series H ADSs that are publicly traded may be reduced. Therefore, holders who choose not to tender their Series G ADSs or Series H ADSs will own a greater percentage interest in our outstanding Series G ADSs or Series H ADSs. This may reduce the volume of trading and make it more difficult to buy or sell significant amounts of Series G ADSs or Series H ADSs without affecting the market price. See Risk Factors Risks Associated with the Exchange Offer Series G ADSs or Series H ADSs that you continue to hold after the Exchange Offer are expected to become less liquid following the Exchange Offer.

We do not intend to list the 2024 Notes on the NYSE or any national or regional securities exchange. Therefore, it is unlikely that a trading market for the 2024 Notes will exist upon consummation of the Exchange Offer. See Risk Factors Risks Relating to the Exchange Offer and the 2024 Notes. There is currently no market for the 2024 Notes and we cannot assure you that an active trading market will develop for the 2024 Notes.

Appraisal Rights

Under Republic of the Marshall Islands law, holders of Preferred Shares that do not consent to the amended and restated certificates of designation have a right to dissent from the Proposed Amendments and receive payment for their Preferred Shares equal to the fair value of such shares, as determined by the High Court of the Republic of the Marshall Islands. However, the Depositary will not exercise those appraisal rights on behalf of a holder of Series G ADSs or Series H ADSs, even if requested to do so. In order for holders of Series G ADSs or Series H ADSs to exercise their appraisal rights, they would have to surrender their Series G ADSs or Series H ADSs as soon as possible with ample time to become a registered holder of Preferred Shares not later than March 1, 2019. A shareholder that elects to become a registered holder of Preferred Shares and exercise dissenters rights must comply with all provisions of Section 101 of the BCA in order to perfect such rights. Such provisions, which include but are not limited to (i) making an objection to the Proposed Amendments prior to their adoption and (ii) providing a notice of an election to dissent within 20 days after the Corporation provides notice the adoption of the amended and restated certificates of designation, are detailed and complicated, and failure to follow precisely any of the statutory procedures set forth in Section 101 of the BCA will result in a termination or waiver of appraisal rights. In view of the complexity of Section 101 of the BCA, holders who may wish to pursue appraisal rights should consult their legal advisors as soon as possible. In addition, relevant sections of the BCA can be made available at the request of a dissenting holder. See Where You Can Find Additional Information.

Certain Legal and Regulatory Matters

Except as set forth in this prospectus, we are not aware of any material filing, approval or other action by or with any governmental authority or administrative or regulatory agency that would be required for our acquisition or ownership of Preferred Shares underlying Series G ADSs or Series H ADSs. We intend to make all required filings under the Exchange Act.

Subsequent Repurchases of Series G ADSs or Series H ADSs

Whether or not the Exchange Offer is consummated, subject to applicable contractual restrictions, the terms of our Articles of Incorporation and applicable law, we or our affiliates may from time to time acquire Series G

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ADSs or Series H ADSs, other than pursuant to this Exchange Offer, through open market purchases, privately negotiated transactions, exchange offers, exercise of optional redemption rights, offers to purchase, upon such terms and at such prices as we may determine, which may be more or less than the amount to be paid pursuant to the Exchange Offer and could be paid in cash or other consideration not provided for in this Exchange Offer. So long as we remain in arrears, any subsequent acquisition of Series G ADSs or Series H ADSs cannot be executed other than on a pro rata basis, unless the Proposed Amendments become effective. However, we have no current plan or commitment to acquire Series G ADSs or Series H ADSs, other than pursuant to this Exchange Offer. Until the expiration of at least ten business days after the date of termination of the Exchange Offer, neither we nor any of our affiliates will make any purchases of Series G ADSs or Series H ADSs otherwise than pursuant to the Exchange Offer. If required by Rule 13e-3 under the Exchange Act, any subsequent repurchases will be made in accordance with Rule 13e-3 and any other applicable provisions of the Exchange Act.

Exchange Agent

We have retained The Bank of New York Mellon as the Exchange Agent. We will pay the Exchange Agent reasonable and customary compensation for its services in connection with the Exchange Offer and reimburse it for its reasonable out-of-pocket expenses. Requests for assistance in connection with the tender of the Series G ADSs or Series H ADSs pursuant to the Exchange Offer may be directed to the Exchange Agent for the Exchange Offer at the address set forth below:

The Bank of New York Mellon

By Mail:	*By Hand or Courier:*
The Bank of New York Mellon	The Bank of New York Mellon
Voluntary Corporation Actions Suite V	Voluntary Corporate Actions Suite V
P.O. Box 43031	250 Royall Street
Providence, Rhode Island 02940-3031	Canton, Massachusetts 02021
United States of America	United States of America

Information Agent

Georgeson LLC is serving as Information Agent in connection with the Exchange Offer and Consent Solicitation. The Information Agent will assist with the mailing of this prospectus and related materials to holders of Series G ADSs and Series H ADSs, respond to inquiries of and provide information to holders of Series G ADSs and Series H ADSs in connection with the Exchange Offer and Consent Solicitation, and provide other similar advisory services as we may request from time to time. Questions regarding the terms of the Exchange Offer and Consent Solicitation, and requests for assistance or for additional copies of this prospectus and any other required documents, may be directed to the Information Agent for the Exchange Offer and Consent Solicitation at the address and telephone numbers set forth below:

Georgeson LLC

Call Toll-Free (888) 566-3252

Contact via E-mail at: Navios@georgeson.com

Soliciting Dealer Fee

With respect to any tender and acceptance of Series G ADSs or Series H ADSs, we will pay a soliciting dealer, if applicable, a fee of 2.0 % of the original liquidation preference ($25.00) applicable to each Series G

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ADS and Series H ADS tendered (the Soliciting Dealer Fee). For example, for both the Series G ADSs and Series H ADSs, the Soliciting Dealer Fee would be calculated as (.02 x $25) per Series G ADSs or Series H ADSs tendered. The Soliciting Dealer Fee will only be paid with respect to Series G ADSs or Series H ADSs that are accepted for tender by us.

In order to be eligible to receive the Soliciting Dealer Fee, a properly completed soliciting dealer form must be delivered by a soliciting dealer to the Exchange Agent prior to the Expiration Date. We will, in our sole discretion, determine whether a broker has satisfied the criteria for receiving a Soliciting Dealer Fee (including, without limitation, the submission of the appropriate documentation without defects or irregularities and in respect of *bona fide* tenders). Other than the foregoing, no fees or commissions have been or will be paid by us to any broker, dealer or other person, other than the Information Agent and the Exchange Agent, in connection with the Exchange Offer and Consent Solicitation.

A soliciting dealer is a retail broker designated in the soliciting dealer form and is:

- a broker or dealer in securities which is a member of any national securities exchange in the United States or of FINRA; or
- a bank or trust company located in the United States.

Soliciting dealers will include any of the organizations described above even when the activities of such organization in connection with the Exchange Offer and Consent Solicitation consist solely of forwarding to clients materials relating to the Exchange Offer and Consent Solicitation and tendering ADSs as directed by beneficial owners thereof. Each soliciting dealer will confirm that each holder of ADSs that it solicits has received a copy of this prospectus, or concurrently with such solicitation provide the holder with a copy of this prospectus. No soliciting dealer is required to make any recommendation to holders of shares ADSs as to whether to tender or refrain from tendering in the Exchange Offer. No assumption is made, in making payment to any soliciting dealer, that its activities in connection with the Exchange Offer and Consent Solicitation included any activities other than those described in this paragraph. For all purposes noted in materials relating to the Exchange Offer and Consent Solicitation, the term solicit shall be deemed to mean no more than processing ADSs tendered or forwarding to customers material regarding the Exchange Offer and Consent Solicitation.

Soliciting dealers are not entitled to a Soliciting Dealer Fee with respect to ADSs beneficially owned by such soliciting dealer or with respect to any ADSs that are registered in the name of a soliciting dealer unless such ADSs are held by such soliciting dealer as nominee and are tendered for the beneficial owner of such ADSs.

Expenses

We expect to incur reasonable and customary fees and expenses of approximately $1.0 million in connection with the Exchange Offer and Consent Solicitation. We also will pay brokers and other securities intermediaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus and related documents to the beneficial owners of Series G ADSs or Series H ADSs and in handling or forwarding tenders and related consents of Series G ADSs or Series H ADSs by their customers, and we may also make payments to such brokers and other securities intermediaries for assisting their clients with tenders.

In connection with the Exchange Offer and Consent Solicitation, our officers, directors and employees may solicit tenders and related consents of Series G ADSs or Series H ADSs by use of the mails, personally or by telephone, facsimile, telegram, electronic communication or other similar methods.

No brokerage commissions will be payable by tendering holders of Series G ADSs or Series H ADSs to us, the Information Agent or the Depositary. Navios Holdings will pay any fees due to the Depositary for the cancellation of the tendered Series G ADSs and Series H ADSs. Holders who tender their Series G ADSs or Series H ADSs through a broker or other securities intermediary should contact such institution as to whether it charges any service fees.

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Additional Information

Pursuant to Exchange Act Rule 13e-4, we have filed with the SEC a Tender Offer Statement on Schedule TO (the Schedule TO), which contains additional information with respect to the Exchange Offer. We will file an amendment to the Schedule TO to report any material changes in the terms of the Exchange Offer and to report the final results of the Exchange Offer as required by Exchange Act Rule 13e-4(c)(3) and 13e-4(c)(4), respectively. The Schedule TO, including the exhibits and any amendments thereto, may be examined, and copies may be obtained, free of charge, by requesting it in writing or by telephone from the appropriate company at the following address:

Information Agent:

Georgeson LLC

Call Toll-Free (888) 566-3252

Contact via E-mail at: Navios@georgeson.com

To ensure timely delivery of the documents in advance of the Expiration Date, please make your request as soon as practicable and, in any event, no later than February 22, 2019, which is five business days prior to the Expiration Date.

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COMPARISON OF RIGHTS BETWEEN THE PREFERRED SHARES AND THE 2024 NOTES

The following briefly summarizes the material differences between the rights of holders of Series G Preferred Shares and Series H Preferred Shares (together with Series G Preferred Shares, the Preferred Shares) and of holders of the 2024 Notes to be issued in the Exchange Offer. This comparison is based on the existing Preferred Shares certificates of designation and does not take any of the Proposed Amendments included in the Preferred Shares amended and restated certificates of designation into account. The 2024 Notes issued in the Exchange Offer will be governed by the 2024 Notes Indenture (as defined below). The discussion below is a summary and is qualified in its entirety by reference to our Articles of Incorporation (including the certificates of designation establishing each of the Series G Preferred Shares and Series H Preferred Shares) and the form of the 2024 Notes Indenture, applicable Republic of the Marshall Islands law and other documents referred to herein and filed as exhibits or incorporated by reference to the registration statement of which this Prospectus forms a part. These documents are also available from the Information Agent upon request. See Where You Can Find Additional Information. We urge you to read these documents for a more complete understanding of the differences between the Preferred Shares and the 2024 Notes.

Governing Documents

Preferred Shares: The rights of holders of Preferred Shares are set forth in our Articles of Incorporation (including the certificates of designation establishing each of the Series G Preferred Shares and the Series H Preferred Shares) and Republic of the Marshall Islands law. These documents have been filed with the SEC and are available on EDGAR.

The 2024 Notes: The rights of holders of the 2024 Notes will be set forth in the indenture, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part.

Dividends/Coupon

Preferred Shares: Holders of the Series G Preferred Shares are entitled to receive preferential annual cash dividends at a rate of 8.75% per annum per $2,500.00 stated liquidation preference per Series G Preferred Share (equivalent to $25.00 per ADS), and holders of the Series H Preferred Shares are entitled to receive preferential annual cash dividends at a rate of 8.625% per annum per $2,500.00 stated liquidation preference per Series H Preferred Share (equivalent to $25.00 per ADS), when, as and if declared by our board of directors out of legally available funds for such purpose. Dividends on the Preferred Shares are payable quarterly in arrears on each January 15, April 15, July 15 and October 15. Distributions on the Preferred Shares will accrue whether or not we have earnings, whether or not there are funds legally available for the payment of such dividends, and whether or not dividends are declared.

The 2024 Notes: Holders of the 2024 Notes are entitled to receive 9.75% cash pay interest semi-annually in arrears on the principal amount on April 15 and October 15 of each year, commencing on October 15, 2019. Interest on the 2024 Notes will accrue from and including the issue date thereof.

Ranking

Preferred Shares: With respect to dividend rights and rights upon our voluntary or involuntary liquidation, dissolution or winding up, the Preferred Shares rank (i) senior to all classes or series of our Common Stock and to all classes or series of stock now or hereafter authorized, issued or outstanding, the terms of which specifically provide that such stock ranks junior to the Preferred Shares; (ii) on parity with any class or series of stock expressly designated as ranking on parity with the Preferred Shares; and (iii) junior to any class or series of stock expressly designated as ranking senior to the Preferred Shares. The Preferred Shares will also rank junior in right of payment to the Company s

other existing and future debt obligations including the 2024 Notes.

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The 2024 Notes: The 2024 Notes rank (i) senior in right of payment to any of our existing and future debt that expressly provides that it is subordinated to the 2024 Notes and all of our existing and future equity interest, including the Preferred Shares; (ii) *pari passu* in right of payment with all of our existing and future senior obligations; (iii) structurally subordinated in right of payment to the obligations of our subsidiaries; and (iv) effectively subordinated in right of payment to any existing and future obligations of Navios Holdings that are secured by property or assets that do not secure the 2024 Notes, including the 2022 Senior Secured Notes and the 2022 Notes, to the extent of the value of any such property and assets securing such other obligations.

Voting Rights

Preferred Shares: The Preferred Shares have no voting rights except as set forth below or as otherwise provided by Republic of the Marshall Islands law. In the event that one quarterly dividend payable on the Preferred Shares is in arrears (whether or not such dividend shall have been declared and whether or not there are profits, surplus, or other funds legally available for the payment of dividends), we shall use commercially reasonable efforts to obtain an amendment to our Articles of Incorporation to effectuate any and all such changes thereto as may be necessary to permit the holders of the Preferred Shares to exercise the voting rights described in clause (x) of the following sentence. If and when dividends payable on the Preferred Shares are in arrears for six or more quarterly periods, whether or not consecutive (and whether or not such dividends shall have been declared and whether or not there are profits, surplus, or other funds legally available for the payment of dividends), then (x) if our Articles of Incorporation have been amended as described in the preceding sentence, the holders of Preferred Shares will have the right, voting as a class together with holders of any other parity securities upon which like voting rights have been conferred and are exercisable, to elect one member of our board of directors, and the size of our board of directors will be increased as needed to accommodate such change (unless the size of our board of directors already has been increased by reason of the election of a director by holders of parity securities upon which like voting rights have been conferred and with which the each series of Preferred Shares voted as a class for the election of such director), and (y) if our Articles of Incorporation have not been amended as described in the preceding sentence, then, until such amendment is fully approved and effective, the dividend rate on the Preferred Shares shall increase by 25 basis points. There can be no assurance that any such amendment to our Articles of Incorporation will be approved by our common stockholders and in past years our Common Stockholders have not approved such amendment. For avoidance of doubt, commercially reasonable efforts shall not be deemed to include the requirement to pay any consent or other fee to obtain such amendment. Dividends payable on the Preferred Shares will be considered to be in arrears for any quarterly period for which full cumulative dividends through the most recent dividend payment date have not been paid on all outstanding Preferred Shares. Any such amendment to our Articles of Incorporation, if obtained, shall also provide that the right of such holders of Preferred Shares to elect members of our board of directors will continue until such time as all dividends accumulated and in arrears on the Preferred Shares have been paid in full or sufficient funds for such payment have been declared and set apart for such purpose, at which time such right will terminate, subject to the revesting of such right in the event of each and every subsequent failure to pay six quarterly dividends as described above. Upon any termination of the right of the holders of the Preferred Shares and any other parity securities to vote as a class for such director, the term of office of such directors then in office elected by such holders voting as a class will terminate immediately. Any director elected by the holders of the Preferred Shares and any other parity securities shall each be entitled to one vote per director on any matter before our board of directors.

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Unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Preferred Shares of each series, voting as a single class, we may not adopt any amendment to our Articles of Incorporation that materially and adversely alters the preferences, powers or rights of the Preferred Shares. In addition, unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Preferred Shares, voting as a class together with holders of any other parity securities upon which like voting rights have been conferred and are exercisable, we may not:

- issue any parity securities if the cumulative dividends payable on outstanding Preferred Shares are in arrears; or
- create or issue any senior securities.

On any matter described above in which the holders of Preferred Shares are entitled to vote as a class, such holders will be entitled to one vote per share. Any Preferred Shares held by us or any of our subsidiaries or affiliates will not be entitled to vote.

No vote or consent of Preferred Shares shall be required for (i) the creation or incurrence of any indebtedness, (ii) the authorization or issuance of any Common Stock or other junior securities or (iii) except as expressly provided above, the authorization or issuance of any of our preferred stock.

Preferred Shares held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.

The 2024 Notes: The 2024 Notes have no voting rights.

Mandatory Redemption Rights

Preferred Shares: Commencing on January 2, 2019 with respect to the Series G Preferred Shares and July 8, 2019 with respect to the Series H Series, we may redeem, at our option, in whole or in part, the Preferred Shares at a redemption price in cash equal to $2,500.00 per share (equivalent to $25.00 per ADS) plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose. We may undertake multiple partial redemptions.

In addition, with respect to the Series H Preferred Shares, at any time after the occurrence of a fundamental change, we may redeem, at our option, in whole or from time to time in part, the Series H Preferred Shares at a redemption price in cash equal to $2,500.00 per share (equivalent to $25.00 per ADS) plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared. Any such optional redemption would be effected only out of funds legally available for such purpose.

A fundamental change means an event that shall be deemed to have occurred at the time after the date when our Common Stock cease to be listed or admitted for trading on the NYSE, the NASDAQ Capital Market, the NASDAQ Global Market or the NASDAQ Global Select Market (or any of their respective successors).

The 2024 Notes: We will have the option to redeem the 2024 Notes, in whole or in part, at our option at any time, at a redemption price equal to 100% of the principal amount of the 2024 Notes to be redeemed, plus accrued interest on the notes to be redeemed to, but excluding, the date on which the 2024 Notes are to be redeemed.

Restrictions on Ownership and Transfer

Preferred Shares: Generally, Preferred Shares are freely transferable, subject to restrictions imposed by the security laws with respect to affiliates. Notwithstanding the foregoing, transfers of Preferred Shares are subject to certain limitations described in the Articles of Incorporation. Transfers of Preferred Shares will be effective as of the first day of the next succeeding fiscal quarter of Navios Holdings.

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The 2024 Notes: Generally, the 2024 Notes are freely transferable, subject to restrictions imposed by the security laws with respect to affiliates. There are no restrictions on ownership of the 2024 Notes.

Listing

Preferred Shares: Series G ADSs and Series H ADSs are each listed on the NYSE.

The 2024 Notes: The 2024 Notes will not be listed on any securities exchange and we cannot guarantee that there will be an established market for their trading. Accordingly, we cannot give you any assurance as to the development or liquidity of any market for the 2024 Notes.

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CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following summary describes certain U.S. federal income tax consequences of the Exchange Offer and the ownership and disposition of the 2024 Notes received in the Exchange Offer. This summary does not discuss all of the aspects of U.S. federal income taxation that may be relevant to a beneficial owner in light of its particular investment or other circumstances. This summary only applies to a beneficial owner of Series G ADSs or Series H ADSs, or 2024 Notes received in exchange for Series G ADSs or Series H ADSs, that holds the Series G ADSs or Series H ADSs, and will hold any 2024 Notes received in exchange therefor, as a capital asset (generally, investment property). This summary does not address U.S. federal income tax rules that may be applicable to certain categories of beneficial owners of Series G ADSs, Series H ADSs or 2024 Notes, such as:

dealers in securities or currencies;

traders securities;

U.S. holders (as defined below) whose functional currency is not the U.S. dollar;

persons holding Series G ADSs, Series H ADSs or 2024 Notes as part of a conversion, constructive sale, wash sale or other integrated transaction or a hedge, straddle or synthetic security;

persons subject to the alternative minimum tax;

certain U.S. expatriates;

financial institutions;

insurance companies;

controlled foreign corporations, passive foreign investment companies and regulated investment companies and shareholders of such corporations;

entities that are tax-exempt for U.S. federal income tax purposes and retirement plans, individual retirement accounts and tax-deferred accounts;

pass-through entities, including partnerships and entities and arrangements classified as partnerships for U.S. federal income tax purposes, and beneficial owners of pass-through entities;

persons that acquire 2024 Notes other than pursuant to the Exchange Offer; and

persons that exercise appraisal rights with respect to their Series G ADSs or Series H ADSs.

In addition, this summary only addresses U.S. federal income tax consequences, and does not address other U.S. federal tax consequences, including, for example, estate or gift tax consequences or the Medicare tax on certain investment income. This summary also does not address any U.S. state or local or non-U.S. income or other tax consequences.

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes holds Series G ADSs, Series H ADSs or 2024 Notes, the U.S. federal income tax treatment of a partner in the partnership generally will depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. Entities or arrangements classified as partnerships for U.S. federal income tax purposes, and partners in such partnerships, should consult their own tax advisors regarding the U.S. federal income tax consequences of the Exchange Offer and the ownership and disposition of the 2024 Notes.

This summary is based on U.S. federal income tax law, including the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations, administrative rulings and judicial authority, all as in effect or in existence as of the date of this Offer to Exchange and Consent Solicitation Statement. Subsequent developments in U.S. federal income tax law, including changes in law or differing interpretations, which may be applied retroactively, could have a material effect on the U.S. federal income tax consequences set forth in this summary.

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We cannot assure you that the Internal Revenue Service (the IRS), will not challenge one or more of the tax consequences described in this summary, and we have not obtained, nor do we intend to obtain, any ruling from the IRS or opinion of counsel with respect to the tax consequences of the Exchange Offer or the ownership or disposition of the 2024 Notes. Each beneficial owner of Series G ADSs, Series H ADSs or 2024 Notes should consult its own tax advisor regarding the particular U.S. federal, state and local and non-U.S. income and other tax consequences of the Exchange Offer and the ownership and disposition of the 2024 Notes.

As used in this summary, a U.S. holder means a beneficial owner of Series G ADSs, Series H ADSs or 2024 Notes that is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation (or entity treated as a corporation for such purposes) created or organized in or under the laws of the United States, or any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation without regard to its source; or
- a trust, if either (x) it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (y) it has a valid election in effect under applicable Treasury regulations to be treated as a United States person.

As used in this summary, a non-U.S. holder is a beneficial owner of Series G ADSs, Series H ADSs or 2024 Notes that is neither a U.S. holder nor an entity or arrangement classified as a partnership for U.S. federal income tax purposes.

U.S. holders that use an accrual method of accounting for U.S. federal income tax purposes generally are required to include certain amounts in income no later than the time such amounts are reflected on certain applicable financial statements. The application of this rule may require the accrual of income earlier than would be the case under the general U.S. federal income tax rules described below. U.S. holders that use an accrual method of accounting for U.S. federal income tax purposes should consult with their tax advisors regarding the potential applicability of this rule to their particular situation.

Tax Treatment of the Series G ADSs or Series H ADSs

A beneficial owner of the Series G ADSs or Series H ADSs is generally treated, for U.S. federal income tax purposes, as the owner of the applicable underlying Preferred Shares represented by such Series G ADSs or Series H ADSs. References in this summary to Series G ADSs and Series H ADSs should be deemed to also include the applicable underlying Preferred Shares represented by such Series G ADSs or Series H ADSs.

Tax Consequences of the Exchange Offer

Except as specifically described below, the following discussion applies to you only if you are a U.S. holder.

The Exchange. If you tender all of your Series G ADSs or Series H ADSs in the Exchange Offer (and none your tendered Series G ADSs or Series H ADSs are returned to you under the tender offer acceptance proration procedures) you generally will be treated as for U.S. federal income tax purposes as having your Series G ADSs or Series H ADSs redeemed by us in exchange for the cash, 2024 Notes or a combination thereof that you receive in the Exchange Offer. In such case, your U.S. federal income tax consequences generally will depend upon whether the dividend non-equivalence tests described below are satisfied.

If you tender only a portion of your Series G ADSs or Series H ADSs in the Exchange Offer (or a portion of your tendered Series G ADSs or Series H ADSs are returned to you under the tender offer acceptance proration procedures), your U.S. federal income tax treatment will depend on whether the Proposed Amendments are

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approved and become effective with respect to the Series G ADSs or Series H ADSs that you did not tender (or that were returned to you). If the Proposed Amendments are not approved or do not become effective, you generally will have the same U.S. federal income tax consequences with respect to your tendered Series G ADSs or Series H ADSs as are described above with respect to a holder that tendered all of its Series G ADSs or Series H ADSs. If the Proposed Amendments are approved and become effective with respect to the Series G ADSs or Series H ADSs that you did not tender (or that were returned to you), it is likely that the changes to the terms of the Preferred Shares would be substantial enough to cause you to be treated, for U.S. federal income tax purposes, as exchanging the Series G ADSs or Series H ADSs that you retained for deemed new preferred shares. In such case, your receipt of deemed new preferred shares and 2024 Notes, cash or a combination of 2024 Notes and cash for your Series G ADSs or Series H ADSs generally would be treated as a recapitalization for U.S. federal income tax purposes, subject to the discussion below of possible bifurcation treatment.

If your receipt of deemed new preferred shares and 2024 Notes, cash or a combination of 2024 Notes and cash for your Series G ADSs or Series H ADSs is treated as a recapitalization for U.S. federal income tax purposes, you generally will be required to recognize gain but will not be permitted to recognize a loss, for U.S. federal income tax purposes. The amount of gain that you will be required to recognize will equal the lesser of (i) the sum of the amount of cash and the issue price of the 2024 Notes (determined as discussed below under Tax Consequences of Holding the 2024 Notes Issue Price of the 2024 Notes) that you receive and (ii) the amount of gain that you realize in the exchange. The amount of gain that you realize will equal the amount by which (a) the sum of the issue price of the 2024 Notes, plus the cash, plus the fair market value of the deemed new preferred shares that you receive exceed (b) your tax basis in the Series G ADSs or Series H ADSs that you tender. If none of the dividend non-equivalence tests described above are satisfied, any gain that you are required to recognize generally will be treated as dividend income for U.S. federal income tax purposes. Conversely, if any of the dividend non-equivalence tests described above are satisfied, any gain that you are required to recognize generally will be treated as capital gain for U.S. federal income tax purposes. In either case, your tax basis in the deemed new preferred shares that you receive will be the same as your tax basis in the Series G ADSs or Series H ADSs that you tender, increased by the amount of gain, if any, that you are required to recognize and reduced by the issue price of the 2024 Notes and the amount of cash that you receive and your holding period for the deemed new preferred shares that you receive will include the holding period during which you held the Series G ADSs or Series H ADSs that you tendered.

If you tender more than one block of Series G ADSs or Series H ADSs (that is, groups of Series G ADSs or Series H ADSs that you purchased at different times or at different prices), you must calculate your recognized gain separately with respect to each block, and the results for each block may not be netted in determining your overall recognized gain. Instead, you will recognize gain on those shares on which gain is realized. If you tender more than one block of Series G ADSs or Series H ADSs, you are urged to consult your own tax advisor.

If the changes to the terms of the Preferred Shares are not substantial enough to cause you to be treated, for U.S. federal income tax purposes, as exchanging the Series G ADSs or Series H ADSs that you retained for deemed new preferred shares, you generally will have the same U.S. federal income tax consequences with respect to your tendered Series G ADSs or Series H ADSs as are described above with respect to a holder that tendered all of its Series G ADSs or Series H ADSs.

Possible Bifurcation Treatment. If you tender only a portion of your Series G ADSs or Series H ADSs in the Exchange Offer (or a portion of your tendered Series G ADSs or Series H ADSs are returned to you under the tender offer acceptance proration procedures), it is possible that the transaction could be bifurcated for U.S. federal income tax purposes and treated as an exchange of the Series G ADSs or Series H ADSs that you tender for the 2024 Notes and cash, or a combination thereof (and, if the changes to the terms of the Preferred Shares would be substantial enough to cause you to be treated, for U.S. federal income tax purposes, as exchanging the Series G ADSs or Series H

ADSs that you retained for deemed new preferred shares, a separate deemed exchange of your remaining Series G ADSs or Series H ADSs for deemed new preferred shares). In such case, you generally will have the same U.S. federal income tax consequences with respect to your tendered Series G

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ADSs or Series H ADSs as are described above with respect to a holder that tendered all of its Series G ADSs or Series H ADSs (and you generally would not have any U.S. federal income tax consequences with respect to the Series G ADSs or Series H ADSs that you retain). However, you may not be permitted to recognize a loss for U.S. federal income tax purposes on any Series G ADSs or Series H ADSs that you tendered. It is unclear whether treatment as a bifurcated transaction could apply and you are urged to consult with your tax advisor about this possibility and whether it would be permitted to claim a loss in this circumstance for U.S. federal income tax purposes.

Dividend Non-Equivalence Tests. If any of the dividend non-equivalence tests are satisfied, you generally will be treated as recognizing capital gain or loss for U.S. federal income tax purposes, as described below under Treatment as Capital Gain or Loss . If none of the dividend non-equivalence tests are satisfied, you generally will be treated as recognizing dividend income for U.S. federal income tax purposes, as described below under Treatment as Dividend Income .

The dividend non-equivalence tests are as follows:

- your percentage of our total outstanding voting shares that you actually and constructively own immediately following the Exchange Offer is less than 80% of the percentage of our total outstanding voting shares that you actually and constructively own immediately before the Exchange Offer and you have a similar reduction in your percentage ownership of our total outstanding stock;

- as a result of the Exchange Offer, you no longer actually or constructively own any of our outstanding shares of stock; or

- the Exchange Offer results in a meaningful reduction of your proportionate interest in our stock (which is determined based on your particular facts and circumstances; however, under published IRS guidance, the redemption of any preferred stock from a stockholder that does not own, actually or constructively, any common stock of the issuing corporation is treated as a meaningful reduction in that stockholder s proportionate interest in the issuing corporation s stock).

In determining whether any of the dividend non-equivalence tests is satisfied, you must take into account not only shares of our stock that you actually own, but also shares of our stock that you constructively own, including shares of our stock actually owned, and in some cases constructively owned, by certain related individuals and certain entities in which you have an interest, or that have an interest in you.

Contemporaneous dispositions or acquisitions of shares by you (or persons or entities related to you) may be deemed to be part of a single integrated transaction which will be taken into account in determining whether any of the dividend non-equivalence tests have been satisfied with respect to shares of our Series G ADSs or Series H ADSs exchanged pursuant to the Exchange Offer. For example, if you sell shares of our Series G ADSs or Series H ADSs to persons other than us at or about the time you participate in the Exchange Offer, and these transactions are part of an overall plan to reduce or terminate your proportionate interest in our stock, then the sales to persons other than us may, for U.S. federal income tax purposes, be integrated with your exchange of shares of our Series G ADSs or Series H ADSs pursuant to the Exchange Offer and, if integrated, should be taken into account in determining whether you satisfy any of the dividend non-equivalence tests described above.

If you are contemplating participating in the Exchange Offer, we urge you to consult your tax advisors regarding the dividend non-equivalence tests described above, including the effect of the attribution rules and the possibility that a substantially contemporaneous sale of Series G ADSs or Series H ADSs to persons other than us may assist in satisfying one or more of the dividend non-equivalence tests.

Treatment as Capital Gain or Loss. If any of the dividend non-equivalence tests described above are satisfied, you generally will be treated as recognizing capital gain or loss for U.S. federal income tax purposes. Except in the case of a recapitalization (as discussed above), your capital gain or loss would be an amount equal to the difference between (i) the sum the issue price of the 2024 Notes (determined as discussed below

under Tax Consequences of Holding the 2024 Notes Issue Price of the 2024 Notes) and the amount of any cash payment that you receive in the Exchange Offer and (ii) your adjusted tax basis in the Series G ADSs or Series H ADSs that you tender. Any such capital gain or loss generally will be treated as long-term capital gain or loss if your holding period for the Series G ADSs or Series ADSs that you tender is greater than one year at the time of the exchange. Your ability to deduct capital losses against ordinary income is subject to limitations. Capital gain or loss that you recognize generally will be treated as a U.S.-source capital gain or loss for U.S. foreign tax credit purposes.

Treatment as Dividend Income. If none of the dividend non-equivalence tests described above are satisfied, you generally will be treated as recognizing dividend income for U.S. federal income tax purposes. Except in the case of a recapitalization (as discussed above), your dividend income would be an amount equal to the issue price of the 2024 Notes and the amount of any cash payment that you receive in the Exchange Offer. In such case, your tax basis in the Series G ADSs or Series H ADSs that you tender will be added to the tax basis of any Series G ADSs or Series H ADSs that you retain (or any Common Stock that you own, if you tender all of your Series G ADSs or Series H ADSs). Any amounts that are treated pursuant to the discussion above as dividend income generally will be taxable to you as either ordinary dividend income or qualified dividend income as described below (and without regard to the extent of our earnings and profits, since we do not maintain calculations of earnings and profits under U.S. federal income tax principles). Because we are not a U.S. corporation, if you are a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes), you will not be entitled to claim a dividends-received deduction with respect to any dividend income that you receive from us. Dividend income that you recognize generally will be treated as passive category income for U.S. foreign tax credit purposes.

If you are an individual, trust or estate, dividend income that you are treated as receiving from us pursuant to the Exchange Offer generally should be treated as qualified dividend income, provided that: (1) the Series G ADSs or Series H ADSs are readily tradable on an established securities market in the United States (such as the New York Stock Exchange), at the time of the exchange; (2) we are not a passive foreign investment company for the taxable year during which you are treated as receiving the dividend income or the immediately preceding taxable year (see the discussion under E. Taxation Material U.S. Federal Income Tax Considerations Taxation of U.S. Holders of our Common Stock Passive Foreign Investment Company Status in our Annual Report on Form 20-F for the year ended December 31, 2017, attached hereto as Annex A); (3) you have owned the Series G ADSs or Series H ADSs for more than 60 days in the 121-day period beginning 60 days before the date on which the Series G ADSs or Series H ADSs become ex-dividend (and have not entered into certain risk limiting transactions with respect to such Series G ADSs or Series H ADSs); (4) you are not under an obligation to make related payments with respect to positions in substantially similar or related property; and (5) you do not treat the dividends as investment income for purposes of the investment interest deduction. Qualified dividend income is taxed at a preferential rates applicable to long-term capital gain, depending on the income level of the taxpayer. Dividends you receive from us that are not eligible for the preferential rates will be taxed at the ordinary income rates.

Special rules may apply to any dividend income you are treated as receiving from us pursuant to the Exchange Offer that is treated as an extraordinary dividend. Generally, an extraordinary dividend is a dividend with respect to a share of stock in an amount that is equal to or in excess of 10% of your tax basis (or fair market value in certain circumstances) in such share of stock. In addition, extraordinary dividends include dividends received within a one-year period that, in the aggregate, equal or exceed 20% of your tax basis (or fair market value in certain circumstances). If you are treated as receiving an extraordinary dividend that is treated as qualified dividend income on any share of our stock and you are an individual, estate or trust, then any loss you derive from a subsequent sale or exchange of such share of our stock will be treated as long-term capital loss to the extent of such dividend.

Basis and Holding Period of 2024 Notes. Regardless of whether you receipt of the 2024 Notes is treated as giving rise to capital gain or loss or dividend income, your initial tax basis in the 2024 Notes generally will be

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equal to the issue price of the 2024 Notes, and your holding period for the 2024 Notes generally will begin on the day after the Exchange.

Non-U.S. Holders. If you are a non-U.S. holder and you tender Series G ADSs or Series H ADSs in the Exchange Offer, your U.S. federal income tax consequences generally will be the same as described above. However:

Any amounts that are treated pursuant to the discussion above as dividend income generally will not be subject to U.S. federal income or withholding tax, unless the dividend income is effectively connected with your conduct of a trade or business in the United States. If you are entitled to the benefits of an applicable income tax treaty with the United States with respect to that income, such income generally will be taxable in the United States only if it is attributable to a permanent establishment maintained by you in the United States; and

Any amounts that are treated pursuant to the discussion above as capital gain generally will not be subject to U.S. federal income tax or withholding tax, unless:

(A) the gain is effectively connected with your conduct of a trade or business in the United States (and, if you are entitled to the benefits of an applicable income tax treaty with the United States with respect to that gain, that gain is attributable to a permanent establishment maintained by you in the United States); or

(B) you are an individual who is present in the United States for 183 days or more during the taxable year in which the gain is recognized and certain other conditions are met.

Any income or gain that is effectively connected with your conduct of a trade or business in the United States generally will be subject to U.S. federal income tax, net of certain deductions, at the U.S. federal income tax rates applicable to United States persons. If you are a corporation, your earnings and profits that are attributable to your effectively connected income (subject to certain adjustments) may be subject to an additional U.S. branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty).

Any gain described in clause (B) above (net of certain U.S.-source losses) will be taxed at a flat rate of 30% (or such lower rate as may be specified by an applicable income tax treaty).

Potential for Recharacterization. We intend for the 2024 Notes to be treated as indebtedness for U.S. federal income tax purposes. However, it is possible that this characterization could be challenged and the 2024 Notes could be treated as equity for U.S. federal income tax purposes. If such a challenge were sustained, your exchange of Series G ADSs or Series H ADSs for 2024 Notes in the Exchange Offer would likely have different U.S. federal income tax consequences than those described above. In particular, you may not be permitted to recognize a loss on the exchange and/or your 2024 Notes may be treated as having preferred OID which you would be required to recognize as taxable income over the term of the 2024 Notes (and, in the case of a non-U.S. holder, would be subject to withholding of U.S. federal income tax) in advance of your receipt of cash, and certain additional information reporting requirements may apply.

Tax Consequences of Holding the 2024 Notes

Except as specifically described below, the following discussion applies to you only if you are a U.S. holder.

Stated Interest. Stated interest on the 2024 Notes will be included in your gross income and taxed as ordinary interest income at the time it is paid or accrued in accordance with your usual method of accounting for U.S. federal income tax purposes. Stated interest on the 2024 Notes will constitute income from sources without the United States for foreign tax credit purposes. Such income generally will constitute passive category income or, in the case of certain U.S. holders, general category income, for foreign tax credit purposes.

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Issue Price of the 2024 Notes. The determination of the issue price of the 2024 Notes generally will depend on whether a substantial amount of the Series G ADSs or Series H ADSs for which such notes are exchanged, are treated as traded on an established securities market within the meaning of the applicable Treasury regulations at any time during the 31-day period ending 15 days after the issue date of the 2024 Notes. In general, the Series G ADSs or Series H ADSs will be treated as traded on an established securities market if, during the applicable period, (i) a price exists for an executed purchase or sale of the Series G ADSs or Series H ADSs, (ii) a firm price quote for the Series G ADSs or Series H ADSs is available form at least one broker, dealer or pricing service and the identity of the person providing the quote is reasonably ascertainable or (iii) under certain circumstances, an indicative price quote for the Series G ADSs or Series H ADSs is available. If the Series G ADSs or Series H ADSs are treated as traded on an established securities market, the issue price of the 2024 Notes generally will be determined by reference to the fair market value of the Series G ADSs or the Series H ADSs, as adjusted to take into account the cash consideration paid in the Exchange Offer. If the Series G ADSs or Series H ADSs are not treated as traded on an established securities market, the issue price of the 2024 Notes generally will be their stated principal amount. We will determine our position concerning the issue price of the 2024 Notes following consummation of the Exchange.

Original Issue Discount. If the principal amount of the 2024 Notes exceeds their issue price (as defined above) by an amount that equals or exceeds the statutory *de minimis* amount (generally, 25 basis points multiplied by the number of complete years to maturity of the 2024 Notes), then the 2024 Notes would be issued with original issue discount (OID) for U.S. federal income tax purposes in an amount equal to such excess.

If the 2024 Notes are issued with OID, you will be required to accrue and include OID in your gross income as it accrues as ordinary income using a constant yield method, in advance of the receipt of the cash payment attributable to the OID, regardless of your regular method of accounting for U.S. federal income tax purposes. The amount of OID that you must include in your gross income for each taxable year is the sum of the daily portions of OID that accrue on your 2024 Notes for each day of the taxable year during which you hold the 2024 Notes. The daily portion of OID is determined by allocating to each day of an accrual period (generally, the period between interest payment dates or compounding dates) a pro rata portion of the OID allocable to such accrual period. The amount of OID allocable to an accrual period is the product of the adjusted issue price of the 2024 Notes at the beginning of the accrual period multiplied by the yield to maturity of the 2024 Notes (adjusted to reflect the length of the accrual period), reduced by the amount of any qualified stated interest allocable to such accrual period. All of the stated interest on the 2024 Notes will be qualified stated interest. The adjusted issue price of the 2024 Notes at the beginning of an accrual period generally will equal their issue price, increased by the aggregate amount of OID that has accrued on the 2024 Notes in all prior accrual periods. You should consult your own tax advisor concerning the consequences of, and accrual of, OID on the notes.

Dispositions of the Notes. Upon the sale, exchange, redemption, retirement or other taxable disposition of a note, you will be required to recognize taxable gain or loss in an amount equal to the difference, if any, between the amount realized on the sale, exchange, redemption, retirement or other taxable disposition (other than amounts attributable to accrued stated interest or OID, which will be treated as described above) and your adjusted tax basis in the 2024 Note. Your adjusted tax basis in a 2024 Note will generally be equal to the issue price of the 2024 Note, increased by the amount of OID on the 2024 Note previously included in your gross income.

Gain or loss recognized by you on the sale, exchange, redemption, retirement or other taxable disposition of a 2024 Note will generally be capital gain or loss and will be long-term capital gain or loss if your holding period for the 2024 Note exceeds one year at the time of the disposition. Long-term capital gains recognized by individual and certain other non-corporate U.S. holders generally are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Capital gain or loss recognized by you generally will be U.S. source gain or loss for foreign tax credit purposes.

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Non-U.S. Holders. If you are a non-U.S. holder, subject to the discussion below regarding backup withholding, you generally will not be subject to U.S. federal income or withholding tax on:

- interest and accruals of OID received in respect of the 2024 Notes, unless such interest or OID is effectively connected with your conduct of a trade or business in the United States; or
- gain realized on the sale, exchange, redemption or retirement of the 2024 Notes, unless that gain is effectively connected with your conduct of a trade or business in the United States or, in the case of gain realized by an individual non-U.S. holder, you are present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

Non-U.S. holders should consult their own tax advisors regarding their U.S. federal income and withholding tax consequences if they are subject to any of the exceptions noted above.

Information Reporting and Backup Withholding

In general, if you are a U.S. holder, information reporting requirements may apply to any 2024 Notes and payments of cash received by you pursuant to the Exchange Offer, payments of stated interest and OID on the 2024 Notes and the proceeds of a disposition of the 2024 Notes received by a U.S. Holder.

In general, backup withholding may apply to any 2024 Notes and payments of cash received by you pursuant to the Exchange Offer, payments of stated interest on your notes and the proceeds of a disposition of your notes, if you are a U.S. holder and you fail to provide a correct taxpayer identification number or otherwise comply with the applicable requirements of the backup withholding rules and you do not otherwise establish an exemption.

If you are a non-U.S. holder, you may be required to establish your exemption from information reporting and backup withholding by certifying your non-U.S. status on IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-8IMY, as applicable.

Backup withholding tax is not an additional tax. Rather, you generally may obtain a refund of any amounts withheld under backup withholding rules that exceed your income tax liability by accurately completing and timely filing a refund claim with the IRS.

Certain Reporting Requirements. Individual U.S. holders (and to the extent specified in applicable Treasury regulations, certain individual non-U.S. holders and certain U.S. holders that are entities) that hold specified foreign financial assets (as defined in section 6038D of the Internal Revenue Code) are required to file a report on IRS Form 8938 with information relating to the assets for each taxable year in which the aggregate value of all such assets exceeds $75,000 at any time during the taxable year or $50,000 on the last day of the taxable year (or such higher dollar amounts as prescribed by applicable Treasury regulations). Specified foreign financial assets would include, among other assets, the 2024 Notes, unless the 2024 Notes are held in an account maintained by a U.S. financial institution. Substantial penalties apply to any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to willful neglect. Additionally, in the event an individual U.S. holder (and to the extent specified in applicable Treasury regulations, an individual non-U.S. holder or a U.S. entity) that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such holder for the related tax year may not close until three years after the date that the required information is filed. U.S. holders (including U.S. entities) and non-U.S. holders should consult their own tax advisors

regarding their reporting obligations with respect to specified foreign financial assets.

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MARSHALL ISLANDS TAX CONSIDERATIONS

The following discussion is based upon the current laws of the Republic of the Marshall Islands applicable to persons who do not reside in, maintain offices in or engage in business in the Republic of the Marshall Islands.

Because we and our subsidiaries do not and do not expect to conduct business or operations in the Republic of the Marshall Islands, and because all documentation related to this Exchange Offer will be executed outside of the Republic of the Marshall Islands, under current Marshall Islands law you will not be subject to Marshall Islands taxation or withholding on any consideration you receive in the Exchange Offer. In addition, you will not be subject to Marshall Islands stamp, capital gains or other taxes on the exchange of Series G ADSs or Series H ADSs, and you will not be required by the Republic of the Marshall Islands to file a tax return relating to your ownership of 2024 Notes.

YOU ARE URGED TO CONSULT HIS YOUR OWN TAX, LEGAL AND OTHER ADVISORS REGARDING THE CONSEQUENCES OF UNDER YOUR PARTICULAR CIRCUMSTANCES.

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LEGAL MATTERS

Certain legal matters relating to the validity of the 2024 Notes will be passed upon for us by Fried, Frank, Harris, Shriver & Jacobson LLP, New York, New York. Certain legal matters governed by the laws of the Republic of the Marshall Islands will be passed upon for us by Reeder & Simpson P.C.

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EXPERTS

The consolidated financial statements of Navios Maritime Holdings Inc. as of December 31, 2017 and 2016 and for each of the three years in the period ended December 31, 2017, and management s assessment of the effectiveness of internal control over financial reporting (which is included in Management s Report on Internal Control over Financial Reporting) as of December 31, 2017 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers S.A., an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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ANNEX A

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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, 2017

OR

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

OR

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

Date of event requiring shell company report _____

For the transition period from _____ to _____

Commission file number

001-33311

Navios Maritime Holdings Inc.

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant s Name into English)

Republic of Marshall Islands

(Jurisdiction of incorporation or organization)

7 Avenue de Grande Bretagne, Office 11B2

Monte Carlo, MC 98000 Monaco

(Address of principal executive offices)

Stuart Gelfond

Fried, Frank, Harris, Shriver & Jacobson LLP

One New York Plaza

New York, New York 10004

Tel: (212) 859-8000

Fax: (212) 859-4000

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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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 Stock, par value $.0001 per share	The New York Stock Exchange
8.75% Series G Cumulative Redeemable Perpetual Preferred Stock, par value $0.0001 per share (Series G)	The New York Stock Exchange*
American Depositary Shares, each representing 1/100th of a Share of Series G	The New York Stock Exchange
8.625% Series H Cumulative Redeemable Perpetual Preferred Stock, par value $0.0001 per share (Series H)	The New York Stock Exchange *
American Depositary Shares, each representing 1/100th of a Share of Series H	The New York Stock Exchange

* Not for trading, but in connection with the registration of American Depositary Shares, pursuant to the requirements of the Securities and Exchange Commission

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:

120,386,472 shares of common stock, 14,191 shares of Series G and 28,612 shares of Series H as of December 31, 2017

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 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 (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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definition of accelerated filer and large accelerated filer, and emerging growth company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

The term new or revised financial accounting standard refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

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 statement 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

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Please note in this Annual Report, we , us , our , the Company and Navios Holdings all refer to Navios Maritime Holdings Inc. and its consolidated subsidiaries, except as otherwise indicated or where the context otherwise requires.

FORWARD-LOOKING STATEMENTS

This Annual Report should be read in conjunction with the consolidated financial statements and accompanying notes included in this report.

Navios Maritime Holdings Inc. desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. This document and any other written or oral statements made by us or on our behalf may include forward-looking statements, which reflect our current views with respect to future events and financial performance. The words may, could, should, would, expect, plan, anticipate, intend, forecast, believe, estimat potential, continue and similar expressions identify forward-looking statements.

The forward-looking statements in this document and in other written or oral statements we make from time to time are based upon current assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management s examination of historical operating trends, data contained in our records, and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors and matters discussed elsewhere herein, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, the strength of world economies, fluctuations in currencies and interest rates, general market conditions, including fluctuations in charter hire rates and vessel values, changes in demand in the dry cargo shipping industry, changes in the Company s operating expenses, including bunker prices, drydocking and insurance costs, expectations of dividends and distributions from affiliates, the Company s ability to maintain compliance with the continued listing standards of the New York Stock Exchange (the NYSE), changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, the value of our publicly traded subsidiaries, and other important factors described from time to time in the reports we file with the Securities and Exchange Commission, or the SEC. See also Risk Factors below.

We undertake no 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, except as required by law. 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.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not Applicable.

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Item 2. Offer Statistics and Expected Timetable

Not Applicable.

Item 3. Key Information

A. Selected Financial Data

Navios Holdings selected historical financial information and operating results for the years ended December 31, 2017, 2016, 2015, 2014 and 2013 are derived from the consolidated financial statements of Navios Holdings. The selected consolidated statement of comprehensive (loss)/income data for the years ended December 31, 2017, 2016 and 2015 and the selected consolidated balance sheet data as of December 31, 2017 and 2016 have been derived from our audited consolidated financial statements included elsewhere in this Annual Report. The selected consolidated financial data should be read in conjunction with Item 5. Operating and Financial Review and Prospects , the consolidated financial statements, related notes and other financial information included elsewhere in this Annual Report. The historical data included below and elsewhere in this Annual Report is not necessarily indicative of our future performance.

	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
	(Expressed in thousands of U.S. dollars except share and per share data)				
Statement of Comprehensive (Loss)/income Data					
Revenue	$ 463,049	$ 419,782	$ 480,820	$ 569,016	$ 512,279
Administrative fee revenue from affiliates	23,667	21,799	16,177	14,300	7,868
Time charter, voyage and logistics business expenses	(213,929)	(175,072)	(247,882)	(263,304)	(244,412)
Direct vessel expenses	(116,713)	(127,396)	(128,168)	(130,064)	(114,074)
General and administrative expenses incurred on behalf of affiliates	(23,667)	(21,799)	(16,177)	(14,300)	(7,868)
General and administrative expenses	(27,521)	(25,295)	(34,183)	(45,590)	(44,634)
Depreciation and amortization	(104,112)	(113,825)	(120,310)	(104,690)	(98,124)
Provision for losses on accounts receivable	(269)	(1,304)	(59)	(792)	(630)
Interest income	6,831	4,947	2,370	5,515	2,299
Interest expense and finance cost	(121,611)	(113,639)	(113,151)	(113,660)	(110,805)
Impairment losses	(50,565)				
Loss on derivatives					(260)
Gain on sale of assets	1,064				18
	(981)	29,187		(27,281)	(37,136)

(Loss)/gain on bond and debt extinguishment					
Other income	6,140	18,175	4,840	15,639	17,031
Other expense	(13,761)	(11,665)	(34,982)	(24,520)	(10,447)
Loss before equity in net earnings of affiliated companies	**$ (172,378)**	**$ (96,105)**	**$ (190,705)**	**$ (119,731)**	**$ (128,895)**

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	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
	(Expressed in thousands of U.S. dollars except share and per share data)				
Equity/(loss) in net earnings of affiliated companies	$ 4,399	$ (202,779)	$ 61,484	$ 57,751	$ 19,344
Loss before taxes	**$ (167,979)**	**$ (298,884)**	**$ (129,221)**	**$ (61,980)**	**$ (109,551)**
Income tax benefit/(expense)	3,192	(1,265)	3,154	(84)	4,260
Net loss	**$ (164,787)**	**$ (300,149)**	**$ (126,067)**	**$ (62,064)**	**$ (105,291)**
Less: Net (income)/loss attributable to the noncontrolling interest	(1,123)	(3,674)	(8,045)	5,861	(3,772)
Net loss attributable to Navios Holdings common stockholders	**$ (165,910)**	**$ (303,823)**	**$ (134,112)**	**$ (56,203)**	**$ (109,063)**
Loss attributable to Navios Holdings common stockholders, basic and diluted	**$ (175,298)**	**$ (273,105)**	**$ (150,314)**	**$ (66,976)**	**$ (110,990)**
Basic and diluted net loss per share attributable to Navios Holdings common stockholders	**$ (1.50)**	**$ (2.54)**	**$ (1.42)**	**$ (0.65)**	**$ (1.09)**
Weighted average number of shares, basic and diluted	**116,673,459**	**107,366,783**	**105,896,235**	**103,476,614**	**101,854,415**
Balance Sheet Data (at period end)					
Current assets, including cash and restricted cash	$ 256,076	$ 273,140	$ 302,959	$ 417,131	$ 339,986
Total assets	2,629,981	2,752,895	2,958,813	3,127,697	2,886,453
Total long-term debt, net including current portion	1,682,488	1,651,095	1,581,308	1,612,890	1,478,089
Navios Holdings stockholders equity	$ 516,098	$ 678,287	$ 988,960	$ 1,152,963	$ 1,065,695

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	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
	(Expressed in thousands of U.S. dollars except per share data)				
Other Financial Data					
Net cash provided by operating activities	$ 50,784	$ 36,920	$ 43,478	$ 56,323	$ 59,749
Net cash used in investing activities	(42,365)	(150,565)	(36,499)	(244,888)	(258,571)
Net cash (used in)/ provided by financing activities	(16,779)	86,225	(91,123)	248,290	128,785
Book value per common share	4.29	5.79	8.95	10.89	10.22
Cash dividends per common share			0.17	0.24	0.24
Cash dividends per preferred share		74.4	216.7	99.9	200.0
Cash paid for common stock dividend declared			19,325	25,228	24,710
Cash paid for preferred stock dividend declared		3,681	16,025	7,502	1,696
Adjusted EBITDA[(1)]	$ 68,813	$ (62,827)	$ 112,756	$ 176,698	$ 107,909

(1) EBITDA represents net (loss)/income attributable to Navios Holdings common stockholders before interest and finance costs, before depreciation and amortization and before income taxes. Adjusted EBITDA represents EBITDA before stock based compensation. We use Adjusted EBITDA as liquidity measure and reconcile Adjusted EBITDA to net cash provided by operating activities, the most comparable U.S. GAAP liquidity measure. Adjusted EBITDA is calculated as follows: net cash provided by operating activities adding back, when applicable and as the case may be, the effect of (i) net increase/(decrease) in operating assets, (ii) net (increase)/decrease in operating liabilities, (iii) net interest cost, (iv) deferred finance charges and gains/(losses) on bond and debt extinguishment, (v) (provision)/recovery for losses on accounts receivable, (vi) equity in affiliates, net of dividends received, (vii) payments for drydock and special survey costs, (viii) noncontrolling interest, (ix) gain/ (loss) on sale of assets/ subsidiaries, (x) unrealized (loss)/gain on derivatives, and (xi) loss on sale and reclassification to earnings of available-for-sale securities and impairment charges. Navios Holdings believes that Adjusted EBITDA is a basis upon which liquidity can be assessed and represents useful information to investors regarding Navios Holdings ability to service and/or incur indebtedness, pay capital expenditures, meet working capital requirements and pay dividends. Navios Holdings also believes that Adjusted EBITDA is used (i) by prospective and current lessors as well as potential lenders to evaluate potential transactions; (ii) to evaluate and price potential acquisition candidates; and (iii) by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

Adjusted EBITDA has limitations as an analytical tool, and therefore, should not be considered in isolation or as a substitute for the analysis of Navios Holdings results as reported under U.S. GAAP. Some of these limitations are: (i) Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs; (ii) Adjusted EBITDA does not reflect the amounts necessary to service interest or principal payments on our debt and other financing arrangements; and (iii) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future. Adjusted EBITDA does not reflect any cash requirements for such capital expenditures. Because of these limitations, among others, Adjusted EBITDA should not be considered as a principal indicator of Navios Holdings performance. Furthermore, our calculation of Adjusted

EBITDA may not be comparable to that reported by other companies due to differences in methods of calculation.

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The following table reconciles net cash provided by operating activities, as reflected in the consolidated statements of cash flows, to Adjusted EBITDA:

Adjusted EBITDA Reconciliation from Cash from Operations

	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
	(Expressed in thousands of U.S. dollars except per share data)				
Net cash provided by operating activities	$ 50,784	$ 36,920	$ 43,478	$ 56,323	$ 59,749
Net (decrease)/ increase in operating assets	(25,052)	20,599	(43,042)	18,025	(57,792)
Net (increase)/decrease in operating liabilities	(20,814)	(38,928)	(39,288)	(23,613)	27,087
Payments for drydock and special survey costs	10,824	11,096	24,840	10,970	12,119
Net interest cost	108,389	103,039	106,257	104,084	103,122
Provision for losses on accounts receivable	(269)	(1,304)	(59)	(792)	(630)
Impairment losses	(50,565)				
Gain on sale of assets	1,064				18
Unrealized loss on FFA derivatives, warrants, interest rate swaps					(69)
Gain/ (Loss) on bond and debt extinguishment	185	29,187		(4,786)	(12,142)
(Losses)/earnings in affiliates and joint ventures, net of dividends received	(4,610)	(219,417)	30,398	22,179	(19,781)
Reclassification to earnings of available-for-sale securities		(345)	(1,783)	(11,553)	
Noncontrolling interest	(1,123)	(3,674)	(8,045)	5,861	(3,772)
Adjusted EBITDA	**$ 68,813**	**$ (62,827)**	**$ 112,756**	**$ 176,698**	**$ 107,909**

B. Capitalization and Indebtedness

Not applicable.

C. ***Reasons for the Offer and Use of Proceeds***

Not applicable.

D. ***Risk Factors***

Some of the following risks relate principally to the industry in which we operate and our business in general. Other risks relate principally to the securities market and ownership of our common stock. You should carefully consider each of the following risks together with the other information incorporated into this Annual Report when evaluating the Company s business and its prospects. The risks and uncertainties described below are not the only ones the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the Company s business operations. If any of the following risks relating to our business and operations actually occur, our business, financial condition and results of operations could be materially and adversely affected and in that case, the trading price of our common stock could decline, and you could lose all or part of your investment.

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Risks Associated with the Shipping Industry and Our Operations

The cyclical nature of the shipping industry may lead to decreases in charter rates and lower vessel values, which could adversely affect our and our affiliates results of operations and financial condition. In particular, charter rates in the dry cargo market are currently near historical lows and certain of our vessels may operate below operating cost.

The shipping business, including the dry cargo market, is cyclical in varying degrees, experiencing severe fluctuations in charter rates, profitability and, consequently, vessel values. For example, during the period from January 1, 2016 to December 31, 2017, the Baltic Exchange s Panamax time charter average daily rates experienced a low of $2,260 and a high of $13,740. Additionally, during the period from January 1, 2016 to December 31, 2017, the Baltic Exchange s Capesize time charter average (BCI-5TCA) daily rates experienced a low of $1,985 and a high of $30,475 and the Baltic Dry Index experienced a low of 290 points and a high of 1,743 points. There can be no assurance that the dry bulk charter market will not fluctuate or hit new lows. We anticipate that the future demand for our dry bulk carriers and dry bulk charter rates will be dependent upon demand for imported commodities, economic growth in the emerging markets, including the Asia Pacific region, of which China is particularly important, India, Brazil and Russia and the rest of the world, seasonal and regional changes in demand and changes to the capacity of the world fleet. Adverse economic, political, social or other developments can decrease demand and prospects for growth in the shipping industry and thereby could reduce revenue significantly. A decline in demand for commodities transported in dry bulk carriers or an increase in supply of dry bulk vessels could cause a further decline in charter rates, which could materially adversely affect our results of operations and financial condition. 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.

Demand for container shipments declined significantly from 2008 to 2009 in the aftermath of the global financial crisis but has increased each year from 2009 to 2017. In 2016, total container trade grew by 4.2%, influenced by strong trade growth worldwide. In 2017, total container trade is estimated to have gained 5.5%, led by recovering volumes going to the US as well as increases in intra-regional trade. Containership supply growth was less than demand growth during the year as there was elevated scrapping in the first part of the year, which allowed average daily rates to recover modestly. The oversupply in the market continued to prevent any significant rise in time charter rates for both short- and long-term periods. Additional orders for large and very large containerships continue to be placed during 2017 and so far in 2018, both increasing the expected future supply of larger vessels and having a spillover effect on the market segment for smaller vessels. Ordering of container ships slowed significantly in 2016 and 2017 while scrapping increased to a record volume in 2016 and was the third highest on record in 2017. The recent global economic slowdown and disruptions in the credit markets significantly reduced demand for products shipped in containers and, in turn, containership capacity, which has had an adverse effect on our and our affiliates results of operations and financial condition.

The continuation of such containership oversupply or any declines in container freight rates could negatively affect the liner companies to which our affiliates seek to charter their containerships.

Historically, the tanker markets have been volatile as a result of the many conditions and factors that can affect the price, supply and demand for tanker capacity. Demand for crude oil and product tankers is historically well correlated with the growth or contraction of the world economy. The past several 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 with respect to recovery prospects, levels of recovery and long-term economic growth effects. Energy prices sharply declined from mid-2014 to the end of March 2016 primarily as a result of increased oil production worldwide. In response to this increased production, demand for tankers to move oil and refined petroleum products increased significantly and average spot and period charter rates

for product and crude tankers rose, but have since then declined as more tankers have been delivered. Keys to this demand growth have been steady increases in Chinese and Indian crude oil imports since 2001 and a steady increase in US oil production, which has led to a steady decline in US crude oil imports since 2005. Oil products shipments have increased due to refinery closures in

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Europe, Japan and Australia with oil products being shipped to those regions from India, the Middle East and the US. With the increase in US crude oil production, the US became a net exporter of oil products since 2011 adding to the seaborne movement of oil products, recently however, large inventories of products have reduced arbitrage possibilities and spot rates for product tankers have moderated. The Organization of Petroleum Exporting Countries (OPEC) is currently producing and shipping oil at very high levels, even after it announced the continued production cuts. Should OPEC significantly reduce oil production or should there be significant declines in non-OPEC oil production or should China or other emerging market countries suffer significant economic slowdowns, that may result in a protracted period of reduced oil shipments and a decreased demand for our affiliated tanker vessels and lower charter rates, which could have a material adverse effect on our results of operations and financial condition.

The percentage of the total tanker fleet on order as a percent of the total fleet declined from 18% at the end of 2015 to 12% at the beginning of March 2018. An over-supply of tanker capacity may result in a reduction of charter hire rates. If a reduction in charter rates occurs, our affiliates may only be able to charter their tanker vessels at unprofitable rates or may not be able to charter these vessels at all, which could lead to a material adverse effect on our results of operations.

The demand for dry cargo vessels, containerships and tanker capacity has generally been influenced by, among other factors:

- global and regional economic conditions;
- developments in international trade;
- changes in seaborne and other transportation patterns, such as port congestion and canal closures or expansions;
- supply and demand for energy resources, commodities, semi-finished and finished consumer and industrial products, and liquid cargoes, including petroleum and petroleum products;
- changes in the exploration or production of energy resources, commodities, semi-finished and finished consumer and industrial products;
- supply and demand for products shipped in containers;
- changes in global production of raw materials or products transported by containerships;
- the distance dry bulk cargo or containers are to be moved by sea;

the globalization of manufacturing;

carrier alliances, vessel sharing or container slot sharing that seek to allocate container ship capacity on routes;

weather and crop yields;

armed conflicts and terrorist activities, including piracy;

natural or man-made disasters that affect the ability of our vessels to use certain waterways;

political, environmental and other regulatory developments, including but not limited to governmental macroeconomic policy changes, import- export restrictions, central bank policies and pollution conventions or protocols;

embargoes and strikes;

technical advances in ship design and construction;

waiting days in ports;

changes in oil production and refining capacity and regional availability of petroleum refining capacity;

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the distance chemicals, petroleum and petroleum products are to be moved by sea;

changes in seaborne and other transportation patterns, including changes in distances over which cargo is transported due to geographic changes in where oil is produced, refined and used; and

competition from alternative sources of energy.

The supply of vessel capacity has generally been influenced by, among other factors:

the number of vessels that are in or out of service;

the scrapping rate of older vessels;

port and canal traffic and congestion;

the number of newbuilding deliveries;

vessel casualties;

the availability of shipyard capacity;

the economics of slow steaming;

the number of vessels that are used for storage or as floating storage offloading service vessels;

the conversion of tankers to other uses, including conversion of vessels from transporting oil and oil products to carrying dry bulk cargo and the reverse conversion;

availability of financing for new vessels;

the phasing out of single-hull tankers due to legislation and environmental concerns;

the price of steel;

national or international regulations that may effectively cause reductions in the carrying capacity of vessels or early obsolescence of tonnage; and

environmental concerns and regulations.

Our growth depends on continued growth in demand for dry bulk commodities and the shipping of dry bulk cargoes.

Our growth strategy focuses on expansion in the dry bulk shipping sector. Accordingly, our growth depends on continued growth in worldwide and regional demand for dry bulk commodities and the shipping of dry bulk cargoes, which could be negatively affected by a number of factors, such as declines in prices for dry bulk commodities, or general political and economic conditions.

Reduced demand for dry bulk commodities and the shipping of dry bulk cargoes would have a material adverse effect on our future growth and could harm our business, results of operations and financial condition. In particular, Asian Pacific economies, of which China is especially important, and India have been the main driving force behind the current increase in seaborne dry bulk trade and the demand for dry bulk carriers. A negative change in economic conditions in any Asian Pacific country, but particularly in China, Korea, Japan or India, may have a material adverse effect on our business, financial condition and results of operations, as well as our future prospects, by reducing demand and resultant charter rates.

Weak economic conditions throughout the world, particularly the Asia Pacific region, renewed terrorist activity, the growing refugee crises and protectionist policies which could affect advanced economies, could have a material adverse effect on our business, financial condition and results of operations.

The global economy remains relatively weak, especially when compared to the period prior to the 2008-2009 financial crisis. The current global recovery is proceeding at varying speeds across regions and is still

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subject to downside economic risks stemming from factors like fiscal fragility in advanced economies, high sovereign and private debt levels, highly accommodative macroeconomic policies, the significant fall in the price of crude oil and other commodities and persistent difficulties in access to credit and equity financing as well as political risks such as the continuing war in Syria, renewed terrorist attacks around the world and the emergence of populist and protectionist political movements in advanced economies.

Concerns regarding new terrorist threats from groups in Europe and the growing refugee crisis may advance protectionist policies and may negatively impact globalization and global economic growth, which could disrupt financial markets, and may lead to weaker consumer demand in the EU, the U.S., and other parts of the world which could have a material adverse effect on our business.

In recent years, China has been one of the world s fastest growing economies in terms of gross domestic product, which has had a significant impact on shipping demand. However, if China s growth in gross domestic product declines and other countries in the Asia Pacific region experience slower or negative economic growth in the future, this may negatively affect the fragile recovery of the economies of the U.S. and the EU, and thus, may negatively impact shipping demand. For example, the possibility of the introduction of impediments to trade within the EU member countries in response to increasing terrorist activities, and the possibility of market reforms to float the Chinese renminbi, either of which development could weaken the Euro against the Chinese renminbi, could adversely affect consumer demand in the EU. Moreover, the revaluation of the renminbi may negatively impact the U.S. demand for imported goods, many of which are shipped from China. Any moves by either the U.S. or the EU to levy additional tariffs on imported goods carried in containers as part of protectionist measures or otherwise could decrease shipping demand. Such weak economic conditions or protectionist measures could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows.

Disruptions in global financial markets from terrorist attacks, regional armed conflicts, general political unrest and the resulting governmental action could have a material adverse impact our ability to obtain financing required to acquire vessels or new businesses. Furthermore, such a disruption would adversely affect our results of operations, financial condition and cash flows and could cause the market price of our shares to decline.

Terrorist attacks in certain parts of the world, such as the attacks on the U.S. on September 11, 2001 or more recently in Paris and London, and the continuing response of the U.S. and other countries to these attacks, as well as the threat of future terrorist attacks, continue to cause uncertainty and volatility in the world financial markets and may affect our business, results of operations and financial condition. In addition, global financial markets and economic conditions have been severely disrupted and volatile in recent years and remain subject to significant vulnerabilities, such as the deterioration of fiscal balances and the rapid accumulation of public debt, continued deleveraging in the banking sector and a limited supply of credit. Credit markets as well as the debt and equity capital markets were exceedingly distressed during 2008 and 2009 and have been volatile since that time. The continuing refugee crisis in the EU, the continuing war in Syria and advances of ISIS and other terrorist organizations in the Middle East, conflicts in Iraq, general political unrest in Ukraine, and political tension or conflicts in the Asia Pacific Region such as in the South China Sea and North Korea have led to increased volatility in global credit and equity markets. The resulting uncertainty and volatility in the global financial markets may accordingly affect our business, results of operations and financial condition. These uncertainties, as well as future hostilities or other political instability in regions where our vessels trade, could also affect trade volumes and patterns and adversely affect our operations, and otherwise have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows.

Further, as a result of the ongoing political and economic turmoil in Greece resulting from the sovereign debt crisis and the related austerity measures implemented by the Greek government, the operations of our managers located in Greece may be subjected to new regulations and potential shift in government policies that may require us to incur

new or additional compliance or other administrative costs and may require the

payment of new taxes or other fees. We also face the risk that strikes, work stoppages, civil unrest and violence within Greece may disrupt the shoreside operations of our managers located in Greece.

Specifically, these issues, along with the re-pricing of credit risk and the difficulties currently experienced by financial institutions, have made, and will likely continue to make, it difficult to obtain financing. As a result of the disruptions in the credit markets and higher capital requirements, many lenders have increased margins on lending rates, enacted tighter lending standards, required more restrictive terms (including higher collateral ratios for advances, shorter maturities and smaller loan amounts), or have refused to refinance existing debt at all. Furthermore, certain banks that have historically been significant lenders to the shipping industry have reduced or ceased lending activities in the shipping industry. Additional tightening of capital requirements and the resulting policies adopted by lenders, could further reduce lending activities. We may experience difficulties obtaining financing commitments or be unable to fully draw on the capacity under our committed term loans in the future, if our lenders are unwilling to extend financing to us or unable to meet their funding obligations due to their own liquidity, capital or solvency issues. We cannot be certain that financing will be available on acceptable terms or at all. If financing is not available when needed, or is available only on unfavorable terms, we may be unable to meet our future obligations as they come due. Our failure to obtain such funds could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows. In the absence of available financing, we also may be unable to take advantage of business opportunities or respond to competitive pressures.

The New York Stock Exchange may delist our common stock from trading on its exchange, which could limit your ability to trade our common stock and subject us to additional trading restrictions.

A company is not in compliance with the continued listing standards set forth in Section 802.01C of the NYSE Listed Company Manual if the average closing price of that company s common stock is less than $1.00 over a consecutive 30 trading-day period.

Since March 26, 2018, the closing price of our common stock was less than $1.00.

Under the NYSE Listed Company Manual, a listed company is generally afforded a six-month period following receipt of the NYSE deficiency notice to regain compliance, after which the NYSE will commence suspension of trading and delisting procedures. Regaining compliance requires, on the last trading day of any calendar month, a company s common stock price per share and 30 trading-day average closing share price to be at least $1.00. During this six month period, a company s common stock will continue to be traded on the NYSE, subject to compliance with other continued listing requirements and further subject to the discretion of the NYSE to commence delisting procedures against a company s common stock for other reasons, such as selling for an abnormally low price.

While we are currently in compliance with the NYSE listing standards, we cannot assure you that our common stock will continue to be listed on NYSE in the future.

If our common stock ultimately were to be delisted for any reason, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our common stock;

- a limited amount of news and analyst coverage for us;

a decreased ability for us to issue additional securities or obtain additional financing in the future;

limited liquidity for our shareholders due to thin trading; and

loss of our tax exemption under Section 883 of the Internal Revenue Code of 1986, as amended (the Code), loss of preferential capital gain tax rates for certain dividends received by certain non-corporate U.S. holders, and loss of mark-to-market election by U.S. holders in the event we are treated as a passive foreign investment company (PFIC).

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A decrease in the level of China s imports of raw materials or a decrease in trade globally 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 imports significant quantities of raw materials. For example, in 2017, China imported 1.058 billion tons of iron out of a total of 1.474 billion tons shipped globally accounting for about 72% of the global seaborne iron ore trade. While it only accounted for 18% of seaborne coal movements of coal in 2017 according to current estimates (217 million tons imported compared to 1.197 billion tons of seaborne coal traded globally), that is a decline from over 22% in 2013 (264 million tons imported compared to 1.182 billion tons of seaborne coal traded globally). Our dry bulk vessels are deployed by our charterers on routes involving dry bulk trade in and out of emerging markets, and our charterers dry bulk shipping and business revenue may be derived from the shipment of goods within and to the Asia Pacific region from various overseas export markets. Any reduction in or hindrance to China-based importers could have a material adverse effect on the growth rate of China s imports and on our charterers business. For instance, the government of China has implemented economic policies aimed at reducing pollution, increasing consumption of domestically produced Chinese coal or promoting the export of such coal. This may have the effect of reducing the demand for imported raw materials and may, in turn, result in a decrease in demand for dry bulk 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.

For example, China imposes a new tax for non-resident international transportation enterprises engaged in the provision of services of passengers or cargo, among other items, in and out of China using their own, chartered or leased vessels, including any stevedore, warehousing and other services connected with the transportation. The regulation broadens the range of international transportation companies who may find themselves liable for Chinese enterprise income tax on profits generated from international transportation services passing through Chinese ports. This tax or similar regulations, such as the recently promoted environmental taxes on coal, by China may result in an increase in the cost of raw materials imported to China and the risks associated with importing raw materials to China, as well as a decrease in the quantity of raw materials to be shipped from our charterers to China. This could 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.

Our operations expose us to the risk that increased trade protectionism from China or other nations will adversely affect our business. If the global recovery is undermined by downside risks and the recent economic downturn returns, 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 may cause (i) a decrease in cargoes available to our charterers in favor of local charterers and local owned ships and (ii) an increase in the risks associated with importing goods to China. 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, financial condition and our ability to pay cash distributions to our stockholders.

When our contracts expire, we may not be able to successfully replace them, or we may not choose to enter into long-term contracts at levels that are at or below operating costs.

The process for concluding contracts and longer term time charters generally involves a lengthy and intensive screening and vetting process and the submission of competitive bids. In addition to the quality and

suitability of the vessel, medium and longer term shipping contracts tend to be awarded based upon a variety of other factors relating to the vessel operator, including:

- environmental, health and safety record;
- compliance with regulatory industry standards;
- reputation for customer service, technical and operating expertise;
- 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.

As a result of these factors, when our contracts including our long-term charters expire, we cannot assure you that we will be able to replace them promptly or at all or at rates sufficient to allow us to operate our business profitably, to meet our obligations, including payment of debt service to our lenders, or to pay dividends. Our ability to renew the charter contracts on our vessels on the expiration or termination of our current charters, or, on vessels that we may acquire in the future, the charter rates payable under any replacement charter contracts, will depend upon, among other things, economic conditions in the sectors in which our vessels operate at that time, changes in the supply and demand for vessel capacity and changes in the supply and demand for the transportation of commodities. During periods of market distress when long-term charters may be renewed at rates at or below operating costs, we may not choose to charter our vessels for longer terms particularly if doing so would create an ongoing negative cash flow during the period of the charter. We may instead choose or be forced to idle our vessels or lay them up or scrap them depending on market conditions and outlook at the time those vessels become available for charter.

However, if we are successful in employing our vessels under longer-term time charters, our vessels will not be available for trading in the spot market during an upturn in the market cycle, when spot trading may be more profitable. If we cannot successfully employ our vessels in profitable charter contracts, our results of operations and operating cash flow could be materially adversely affected.

We may employ vessels on the spot market and thus expose ourselves to risk of losses based on short-term decreases in shipping rates.

We periodically employ some of our vessels on a spot basis. The spot charter market is highly competitive and freight rates within this market are highly volatile, while longer-term charter contracts provide income at pre-determined rates over more extended periods of time. We cannot assure you that we will be successful in keeping our vessels fully employed in these short-term markets, or that future spot rates will be sufficient to enable such vessels to be operated profitably. A significant decrease in spot market rates or our inability to fully employ our vessels by taking advantage of the spot market would result in a reduction of the incremental revenue received from spot chartering and adversely affect our results of operations, including our profitability and cash flows, with the result that our ability to pay debt service and dividends could be impaired.

Additionally, if spot market rates or short-term time charter rates become significantly lower than the time charter equivalent rates that some of our charterers are obligated to pay us under our existing charters, the

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charterers may have incentive to default under that charter or attempt to renegotiate the charter. If our charterers fail to pay their obligations, we would have to attempt to re-charter our vessels at lower charter rates, which would affect our ability to comply with our loan covenants and operate our vessels profitably. If we are not able to comply with our loan covenants and our lenders choose to accelerate our indebtedness and foreclose their liens, we could be required to sell vessels in our fleet and our ability to continue to conduct our business would be impaired.

We depend upon significant customers for part of our revenues. The loss of one or more of these customers or a decline in the financial capability of our customers could materially adversely affect our financial performance.

We derive a significant part of our revenue from a small number of charterers. During the years ended December 31, 2017, 2016 and 2015, we derived approximately 31.1%, 41.1%, and 33.8%, respectively, of our gross revenues from four customers. For the year ended December 31, 2017, no customers accounted for more than 10% of the Company s revenue. For the year ended December 31, 2016, two customers accounted for 14.7% and 13.1%, respectively, of the Company s revenue. For the year ended December 31, 2015, one customer accounted for 15.1% of the Company s revenue.

We could lose a customer or the benefits of a time charter if, among other things:

- the customer fails to make charter payments because of its financial inability, disagreements with us or otherwise, which risk is increasing due to the current economic environment;
- 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, default under the charter; or
- the customer terminates the charter because the vessel has been subject to seizure for more than a specified number of days.

Furthermore, a number of our charters are at above-market rates, such that any loss of such charter may require us to recharter the vessel at lower rates. Additionally, our charterers from time to time have sought to renegotiate their charter rates with us. We no longer maintain insurance against the risk of default by our customers.

If one or more of our customers is unable to perform under one or more charters with us and we are not able to find a replacement charter, or if a charterer exercises certain rights to terminate the charter, or if a charterer is unable to make its charter payments in whole or in part, we could suffer a loss of revenues that could materially adversely affect our business, financial condition and results of operations.

We are subject to certain credit risks with respect to our counterparties on contracts, and the failure of such counterparties to meet their obligations could cause us to suffer losses on such contracts and thereby decrease revenues.

We charter-out our vessels to other parties who pay us a daily rate of hire. We also enter into contracts of affreightment (COAs) pursuant to which we agree to carry cargoes, typically for industrial customers, who export or import dry bulk cargoes. Additionally, we may enter into Forward Freight Agreements (FFAs), parts of which are traded over-the-counter. We also enter into spot market voyage contracts, where we are paid a rate per ton to carry a

specified cargo on a specified route. The FFAs and these contracts and arrangements subject us to counterparty credit risks at various levels. If the counterparties fail to meet their obligations, we could suffer losses on such contracts, which could materially adversely affect our financial condition and results of operations. In addition, if a charterer defaults on a time charter, we may only be able to enter into new contracts at lower rates. It is also possible that we would be unable to secure a charter at all. If we re-charter the vessel at lower rates or not at all, our financial condition and results of operations could be materially adversely affected.

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Trading and complementary hedging activities in freight, tonnage and FFAs subject us to trading risks, and we may suffer trading losses, which could adversely affect our financial condition and results of operations.

Due to dry bulk shipping market volatility, success in this shipping industry requires constant adjustment of the balance between chartering-out vessels for long periods of time and trading them on a spot basis. A long-term contract to charter a vessel might lock us into a profitable or unprofitable situation depending on the direction of freight rates over the term of the contract. We may seek to manage and mitigate that risk through trading and complementary hedging activities in freight, tonnage and FFAs. We may trade FFAs with an objective of both economically hedging the risk on the fleet, specific vessels or freight commitments and taking advantage of short-term fluctuations in market prices. There can be no assurance that we will be able at all times to successfully protect ourselves from volatility in the shipping market. We may not successfully mitigate our risks, leaving us exposed to unprofitable contracts, and may suffer trading losses resulting from these hedging activities.

We are subject to certain operating risks, including vessel breakdowns or accidents, that could result in a loss of revenue from the chartered-in vessels and which in turn could have an adverse effect on our results of operations or financial condition.

Our exposure to operating risks of vessel breakdown and accidents mainly arises in the context of our owned vessels. The rest of our core fleet is chartered-in under time charters and, as a result, most operating risks relating to these time chartered vessels remain with their owners. If we pay hire on a chartered-in vessel at a lower rate than the rate of hire it receives from a sub-charterer to whom we have chartered out the vessel, a breakdown or loss of the vessel due to an operating risk suffered by the owner will, in all likelihood, result in our loss of the positive spread between the two rates of hire. Although we maintain insurance policies (subject to deductibles and exclusions) to cover us against the loss of such spread through the sinking or other loss of a chartered-in vessel, we cannot assure you that we will be covered under all circumstances or that such policies will be available in the future on commercially reasonable terms. Breakdowns or accidents involving our vessels and losses relating to chartered vessels, which are not covered by insurance, would result in a loss of revenue from the affected vessels adversely affecting our financial condition and results of operations.

Risks inherent in the operation of ocean-going vessels could affect our business and reputation, which could adversely affect our expenses, net income, cash flow and the price of our common stock.

The operation of ocean-going vessels entails certain inherent risks that may materially adversely affect our business and reputation, including:

- the damage or destruction of vessels due to marine disaster such as a collision;
- the loss of a vessel due to piracy and terrorism;
- cargo and property losses or damage as a result of the foregoing or drastic causes such as human error, mechanical failure and bad weather;
- environmental accidents as a result of the foregoing; and

business interruptions and delivery delays caused by mechanical failure, human error, war, terrorism, disease and quarantine, political action in various countries, labor strikes or adverse weather conditions.

Such occurrences could result in death or injury to persons, loss of property or environmental damage, delays in the delivery of cargo, loss of revenues from or termination of charter contracts, governmental fines, penalties or restrictions on conducting business, litigation with our employees, customers or third parties, higher insurance rates, and damage to our reputation and customer relationships generally. Although we maintain hull and machinery and war risks insurance, as well as protection and indemnity insurance, which may cover certain risks of loss resulting from such occurrences, our insurance coverage may be subject to caps or not cover such

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losses and any of these circumstances or events could increase our costs or lower our revenues. The involvement of our vessels in an environmental disaster may harm our reputation as a safe and reliable vessel owner and operator. Any of these results could have a material adverse effect on business, results of operations and financial condition, as well as our cash flows.

We are subject to various laws, regulations and conventions, including environmental and safety laws that could require significant expenditures both to maintain compliance with such laws and to pay for any uninsured environmental liabilities including any resulting from a spill or other environmental incident.

The shipping business and vessel operation are materially affected by government regulation in the form of international conventions, national, state and local laws, and regulations in force in the jurisdictions in which vessels operate, as well as in the country or countries of their registration. Governmental regulations, safety or other equipment standards, as well as compliance with standards imposed by maritime self-regulatory organizations and customer requirements or competition, may require us to make capital and other expenditures. Because such conventions, laws and regulations are often revised, we cannot predict the ultimate cost of complying with such conventions, laws and regulations, or the impact thereof on the fair market price or useful life of our vessels. In order to satisfy any such requirements, we may be required to take any of our vessels out of service for extended periods of time, with corresponding losses of revenues. In the future, market conditions may not justify these expenditures or enable us to operate our vessels, particularly older vessels, profitably during the remainder of their economic lives. This could lead to significant asset write downs. In addition, violations of environmental and safety regulations can result in substantial penalties and, in certain instances, seizure or detention of our vessels.

Additional conventions, laws and regulations may be adopted that could limit our ability to do business, require capital expenditures or otherwise increase our cost of doing business, which may materially adversely affect our operations, as well as the shipping industry generally. In various jurisdictions legislation has been enacted, or is under consideration, that would impose more stringent requirements on air pollution and effluent discharges from our vessels. For example, the International Maritime Organization (IMO) periodically proposes and adopts amendments to revise the International Convention for the Prevention of Pollution from Ships (MARPOL), such as the revision to Annex VI, which came into force on July 1, 2010. The revised Annex VI implements a phased reduction of the sulfur content of fuel and allows for stricter sulfur limits in designated emission control areas (ECAs). Thus far, ECAs have been formally adopted for the Baltic Sea area (limiting SOx emissions only), the North Sea area including the English Channel (limiting SOx emissions only) and the North American ECA (which came into effect on August 1, 2012 limiting SOx, NOx and particulate matter emissions). In October 2016, the IMO approved the designation of the North Sea and Baltic Sea as ECAs for NOx under Annex VI, which is scheduled for adoption in 2017 and would take effect in January 2021. The U.S. Caribbean Sea ECA entered into force on January 1, 2013 and has been effective since January 1, 2014, limiting SOx, NOx and particulate matter emissions. In January 2015, the limit for fuel oil sulfur levels fell to 0.10% m/m in ECAs established to limit SOx and particulate matter emissions. After considering the issue for many years, the IMO announced on October 27, 2016 that it was proceeding with a requirement for 0.5% m/m sulfur content in marine fuel (down from current levels of 3.5%) outside the ECAs starting on January 1, 2020. Under Annex VI, the 2020 date was subject to review as to the availability of the required fuel oil. Annex VI required the fuel availability review to be completed by 2018 but was ultimately completed in 2016. Therefore, by 2020, ships will be required to remove sulfur from emissions through the use of emission control equipment, or purchase marine fuel with 0.5% sulfur content, which may see increased demand and higher prices due to supply constraints. Installing pollution control equipment or using lower sulfur fuel could result in significantly increased costs to our company. Similarly, MARPOL Annex VI requires Tier III standards for NOx emissions to be applied to ships constructed and engines installed in ships operating in NOx ECAs from January 1, 2016.

Certain jurisdictions have adopted more stringent requirements. For instance, California has adopted more stringent low sulfur fuel requirements within California regulated waters. Compliance with new emissions standards could require modifications to vessels or the use of more expensive fuel. While it is unclear how new

emissions standards will affect the employment of our vessels, over time it is possible that ships not retrofitted to comply with new standards may become less competitive.

In addition, the IMO, the U.S. and states within the U.S. have proposed or implemented requirements relating to the management of ballast water to prevent the harmful effects of foreign invasive species. These ballast water proposals and requirements are discussed below in the risk factor relating to ballast water.

The operation of vessels is also affected by the requirements set forth in the International Safety Management (ISM) Code. The ISM Code requires shipowners and bareboat charterers to develop and maintain an extensive Safety Management System (the SMS) that includes the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe vessel operation and describing procedures for dealing with emergencies. Further to this, the IMO has introduced the first ever mandatory measures for an international greenhouse gas reduction regime for a global industry sector. These energy efficiency measures took effect on January 1, 2013 and apply to all ships of 400 gross tonnage and above. They include the development of a ship energy efficiency management plan (SEEMP) which is akin to a safety management plan, with which the industry will have to comply. The failure of a ship owner or bareboat charterer to comply with the ISM Code and IMO measures may subject such party to withdrawal of the permit to operate or manage the vessels, increased liability, decreased available insurance coverage for the affected vessels, and may result in a denial of access to, or detention in, certain ports.

We operate a fleet of vessels that are subject to national and international laws governing pollution from such vessels. Several international conventions impose and limit pollution liability from vessels. An owner of a tanker vessel carrying a cargo of persistent oil as defined by the International Convention for Civil Liability for Oil Pollution Damage (the CLC) is subject under the convention to strict liability for any pollution damage caused in a contracting state by an escape or discharge from cargo or bunker tanks. This liability is subject to a financial limit calculated by reference to the tonnage of the ship, and the right to limit liability may be lost if the spill is caused by the shipowner s intentional or reckless conduct. Liability may also be incurred under the CLC for a bunker spill from the vessel even when she is not carrying such cargo, but is in ballast.

When a tanker is carrying clean oil products that do not constitute persistent oil that would be covered under the CLC, liability for any pollution damage will generally fall outside the CLC and will depend on other international conventions or domestic laws in the jurisdiction where the spillage occurs. The same principle applies to any pollution from the vessel in a jurisdiction, which is not a party to the CLC. The CLC applies in over 100 jurisdictions around the world, but it does not apply in the U.S., where the corresponding liability laws such as the Oil Pollution Act of 1990 (the OPA 90) discussed below, are particularly stringent.

For vessel operations not covered by the CLC, including those operated under our fleet, international liability for oil pollution is governed by the International Convention on Civil Liability for Bunker Oil Pollution Damage (the Bunker Convention). In 2001, the IMO adopted the Bunker Convention, which imposes strict liability on shipowners for pollution damage and response costs incurred in contracting states caused by discharges, or threatened discharges, of bunker oil from all classes of ships not covered by the CLC. The Bunker Convention also requires registered owners of ships over a certain size to maintain insurance to cover their liability for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime, including liability limits calculated in accordance with the Convention on Limitation of Liability for Maritime Claims 1976, as amended (the 1976 Convention), discussed in more detail in the following paragraph. The Bunker Convention became effective in contracting states on November 21, 2008 and as of February 7, 2017, had 83 contracting states. In non-contracting states, liability for such bunker oil pollution typically is determined by the national or other domestic laws in the jurisdiction where the spillage occurs.

The CLC and Bunker Convention also provide vessel owners a right to limit their liability, depending on the applicable national or international regime. The CLC includes its own liability limits. The 1976

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Convention is the most widely applicable international regime limiting maritime pollution liability. Rights to limit liability under the 1976 Convention are forfeited where a spill is caused by a shipowner s intentional or reckless conduct. Certain jurisdictions have ratified the IMO s Protocol of 1996 to the 1976 Convention, referred to herein as the Protocol of 1996. The Protocol of 1996 provides for substantially higher liability limits in those jurisdictions than the limits set forth in the 1976 Convention. Finally, some jurisdictions, such as the U.S., are not a party to either the 1976 Convention or the Protocol of 1996, and, therefore, a shipowner s rights to limit liability for maritime pollution in such jurisdictions may be uncertain.

Environmental legislation in the U.S. merits particular mention as it is in many respects more onerous than international laws, representing a high-water mark of regulation with which ship owners and operators must comply, and of liability likely to be incurred in the event of non-compliance or an incident causing pollution. Though it has been eight years since the Deepwater Horizon oil spill in the Gulf of Mexico (the Deepwater Horizon incident), such regulation may become even stricter because of the incident s impact. In the U.S., the OPA90 establishes an extensive regulatory and liability regime for the protection and cleanup of the environment from cargo and bunker oil spills from vessels, including tankers. The OPA 90 covers all owners and operators whose vessels trade in the U.S., its territories and possessions or whose vessels operate in U.S. waters, which includes the U.S. s territorial sea and its 200 nautical mile exclusive economic zone. Under the OPA 90, vessel owners, operators and bareboat charterers are responsible parties and are jointly, severally and strictly liable (unless the spill results solely from the act or omission of a third party, an act of God or an act of war) for all containment and clean-up costs and other damages arising from discharges or substantial threats of discharges, of oil from their vessels. The U.S. Congress has in the past considered bills to strengthen certain requirements of the OPA 90; similar legislation may be introduced in the future. Further, under the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and similar state laws, investigation and cleanup requirements for threatened or actual releases of hazardous substances may be imposed upon owners and operators of vessels, on a joint and several basis, regardless of fault or the legality of the original activity that resulted in the release of hazardous substances.

In addition to potential liability under the federal OPA 90, vessel owners may in some instances incur liability on an even more stringent basis under state law in the particular state where the spillage occurred. For example, California regulations prohibit the discharge of oil, require an oil contingency plan be filed with the state, require that the ship owner contract with an oil response organization and require a valid certificate of financial responsibility, all prior to the vessel entering state waters.

In recent years, the EU has become increasingly active in the field of regulation oflly satisfactory amendment to cure the problem within a time which is reasonable in all of the circumstances, and in this regard, the Parties undertake to negotiate in good faith for the same purpose. OWNERS REQUIREMENTS - SA TABLE OF CONTENTS Page 1. GENERAL.....1 1.1 Introduction and Overall Objective ..... 1 1.2 Design to Accommodate Future Expansion of Project ..... 1 1.3 Purpose of the Project ..... 1 2. THE PROJECT.....2 2.1 General Scope of the Project ..... 2 2.2 Open Pit Mine ..... 3 2.3 Mine Infrastructure and Crushing Area ..... 3 2.4 Processing Plant ..... 4 2.5 Processing Plant Site Services ..... 5 2.6 Tailings Storage Project (TSF) and Water Management ..... 6 2.7 Infrastructure, Buildings and Services ..... 6 2.8 Camp ..... 7 2.9 Site Access ..... 7 2.10 Port ..... 7 3. BATTERY LIMITS AND OWNER SUPPLY .....7 3.1 Camp Accommodation ..... 7 3.2 Fuel ..... 8 3.3 Water ..... 9 3.4 Electricity ..... 9 4. INDIGENOUS PEOPLES CONSIDERATION .....9 4.1 General ..... 9 5. TRAINING AND O&M MANUALS .....10 5.1 Skills Assessment and Training - Local People ..... 10 5.2 Training of O&M Personnel ..... 10 5.3 O&M Manuals ..... 10 OWNER'S

REQUIREMENTS 1. GENERAL 1.1 Introduction and Overall Objective (a) These Owner's Requirements specify the purpose, the general objectives and scope of the Project, the design, technical and functional criteria, and the other requirements for the Project to be achieved, met, provided and satisfied by the Contractor for the Project. (b) Section 3 of the Owner's Requirements also defines the extent of the equipment, work and services to be provided by the Owner. Except where specific equipment, work or services are clearly and expressly stated to be provided by the Owner in Section 3 herein, all equipment, work, services and everything else required to execute and complete the Project and to meet all of the Performance Guarantees shall be provided by or through the Contractor. (c) The Owner is contracting for, and the Contractor is contracting to provide the Services (all as more particularly described in the Contract) required to complete the Project and to achieve the Performance Guarantees under the Contract, all on, in accordance with and subject to the provisions of the Contract. 1.2 Design to Accommodate Future Expansion of Project (a) [Intentionally deleted]. 1.3 Purpose of the Project (a) The purpose of the Project is to extract gold from ore in an environmentally sound manner from a complete, safe, functional, fully operating, reliable and efficient gold mine operation over the entire projected minimum life of 20 years when operated and maintained in accordance with Mining Industry Standards, Prudent Industry Practice and the O&M Manuals, that meets the Performance Guarantees, and that is designed and constructed to a standard of quality, performance and reliability that conforms to the requirements of the Contract, Mining Industry Standards and Prudent Industry Practice. The purpose of the Project is also, through expansion of the Project, to process ore from additional reserves or concessions that may in future be acquired by the Owner or its affiliates, such that the Project shall, with appropriate maintenance and upgrading as and when required for that purpose, have a useful life well in excess of the projected life of the mine itself. 2. THE PROJECT 2.1 General Scope of the Project (a) The Project will generally consist of the development of a new large open pit mining operation, copper and gold process plant facilities, plant site infrastructure, port site infrastructure, services and utilities. The mineral deposit and contemplated project are located in Bolivar State, Venezuela. The nearest port city is Puerto Ordaz, some 390 km north of the Site. (b) The Project is based on an assumed ore reserve estimated by or on behalf of the Owner to be 485 Mt at a gold grade of 0.68 g/t and a copper grade of 0.13% with a strip ratio of 1.97 tonnes of waste per tonne of ore. (c) Oxide saprolite ore, sulphide saprolite ore and sulphide ore are mined and delivered from the open pit to separate crushing facilities, i.e. an oxide saprolite roll crusher, sulphide saprolite roll crusher and primary gyratory crusher for sulphide ore. (d) The proposed process plant, based on a hard rock ore capacity of 70,000 t/d, will use crushing as noted above; semi-autogenous grinding and ball milling; gravity recovery for coarse gold; rougher flotation, regrinding and cleaner flotation; cyanidation of cleaner scavenger tailings and oxide saprolite, gold and silver recovery by carbon-in-pulp adsorption, stripping, electro-winning and smelting; copper concentrate filtering; cyanide destruction. (e) The Owner does not intend to pioneer new technologies, use equipment that is obsolete, use one of a kind equipment or equipment that has never been used successfully in the industry. The Flowsheet design, mineral processing equipment and support facilities are to use that of proven technologies and standard equipment. Design, equipment operation and maintenance are required to be as simple as reasonably possible. (f) There will be two means of access to the site from the existing Highway 10. The primary access road will run about 14 km to the process site and the newly proposed camp site will consist of a new segment and upgrade of an existing road. The secondary access road from Highway 10 connecting to the primary access road and to the open pit mine site will consist of a new segment and upgrade of an existing road. (g) An existing 400 kV power line passes close to the site and a new substation was constructed in 2001 to serve the area. Power will be delivered to the Site via approximately 5.5 km of 230 kV line. (h) The anticipated overall timeframe for the Project is as set out in Appendix 8. (i) The Project has a design life of 20 years, including a Plant designed to produce gold bullion and copper concentrate by the treatment of 70,000 tonnes/yr of hardrock ore, Tailings Dam having an impound capacity of not less than 485 million tonnes with a deposition rate of 29.2 tonnes/yr and operating 24 hours per day, 7 days per week, return water dam, water storage dam, stores, camp including administrative and living quarters, and associated infrastructure, all for a mine production exceeding 109 million tonnes/yr and reaching 29.2 million tonnes/yr of ore. Infrastructure will consist of water supply and distribution, buildings (administration offices, change houses, control room, motor control centres, laboratory, Plant, shops and stores), roads and walkways within the Site, and the upgrade of access roads to the Site. The Project will include a Tailings Dam. The Project shall be designed and built to conform to and meet Prudent Industry Practice and all Applicable Laws, and will comply with World Bank Guidelines and the Equator Principles. 2.2 Open Pit Mine (a) The Project includes the design, engineering and development of the Open Pit, which will be done by others for the Owner and is excluded from the Services under this

Contract, except for those specific services in relation to the pit and pit dewatering system that are expressly made part of the Services to be provided by the Contractor. (b) The following parts of the Project will be provided by others directly for the Owner: (i) Design of the Open Pit; (ii) Locating the pit dewatering wells; (iii) Purchasing of mining equipment for Open Pit operations (i.e. drills, shovels, trucks, bulldozers); (iv) Pre-stripping operations. 2.3 Mine Infrastructure and Crushing Area (a) The Mine Infrastructure and Crushing Area parts of the Project will consist of the following: (i) Mine Truck Shops, Mine Offices, Warehouse and Maintenance Building c/w Truck Wash; (ii) A Mine Dry located within the Mine Truck Shop facility consisting of appropriate segregated male and female dirty and clean change facilities, lockers and washrooms; (iii) Truck Wash Water Tank and supply system; (iv) Potable Water Tank and distribution system; (v) Fire Water Tank and distribution system; (vi) Mine Fire Pumphouse; (vii) Tank Farm for Glycol, Hydraulic Oil, Waste Oil, Solvent and Engine Oil; (viii) Gasoline Tank and Dispensing Project; (ix) Diesel Oil Tank and Dispensing Project; (x) Sewage Treatment Plant; (xi) Explosives Storage Areas (Storage Facilities by Explosives Supplier); (xii) Explosives Area Guardhouse; (xiii) Pit Dewatering Wells; (xiv) Sediment Control Ponds; (xv) Primary Crusher c/w Rock Breaker; (xvi) Primary Crusher Discharge Conveyor; (xvii) Sulfide Saprolite Stockpile Area and Crushing Station; (xviii) Crushed Saprolite Belt Conveyor; (xix) Stockpile Feed Conveyor; (xx) Powerlines and related facilities; and (xxi) Access Roads. 2.4 Processing Plant (a) The Processing Plant part of the Project will consist of the following: (i) Oxide Saprolite Stockpile Area, Reclaim Facilities, Feeder and Crushing Station; (ii) Oxide Saprolite Coarse Reject Conveyor and Coarse Reject Stockpile Area; (iii) Crushed Oxide Saprolite Belt Conveyor; (iv) Oxide Saprolite Washing Facilities; (v) Sulfide Ore Stockpile Area, Reclaim Facilities, Feeder and Crushing Station; (vi) Two Parallel Grinding Lines c/w SAG Mill, Two Ball Mills and Cyclone Classification Systems; (vii) Gravity recovery circuit; (viii) Flotation circuit c/w Rougher, Scavenger and Cleaner Cells and Regrind Mills; (ix) Concentrate Dewatering c/w Concentrate Thickener, Concentrate Pressure Filter and Filter Cake Conveyor; (x) Concentrate Storage Bunker; (xi) Flotation Tailings disposal circuit; (xii) Cyanidation Leach Tanks; (xiii) Carbon in Pulp (CIP) circuit; (xiv) Carbon Stripping and Gold Electro-winning; (xv) Carbon Regeneration circuit; (xvi) Gold Refining and associated equipment; (xvii) CIP Tailings disposal circuit c/w Cyanide Destruction; (xviii) Tailings pipeline; (xix) Tailings water reclaim pumping system and Process Water Pond; (xx) Reagent storage, mixing and delivery system; and (xxi) Compressed air system. 2.5 Processing Plant Site Services (a) The Processing Plant Site Services part of the Project will consist of the following: (i) Fresh water supply from Mine Dewatering Pumps; (ii) Fresh water demineralization; (iii) Fire water storage/distribution; (iv) Process water storage/distribution; (v) Pump gland seal water distribution; (vi) Power supply; (vii) Sewage Treatment Plant; (viii) Standby power; (ix) Communications; and (x) Computers, including support systems. 2.6 Tailings Storage Project (TSF) and Water Management (a) The Tailings Storage Project (also referred to as the Tailings Dam) and Water Management parts of the Project will consist of the following: (i) TSF starter dam, including conceptual design for subsequent dam raising; (ii) Reclaim pump barge and decant structure; (iii) Site water management ponds, sediment control facility, including various collection pond dams; (iv) Plant site spill collection and containment; (v) Plant site drainage collection and pumping; and (vi) Water diversion around TSF, if required; 2.7 Infrastructure, Buildings and Services (a) The Infrastructure, Buildings and Services parts of the Project will consist of the following: (i) Administration Office Building; (ii) Plant Maintenance and Warehouse Building c/w Shop, Warehouse, Offices, Covered Storage, Doctor's Office and Infirmary, Training Room, and Emergency Response Vehicle Storage; (iii) A Mill Dry facility consisting of appropriate segregated male and female dirty and clean change facilities, lockers and washrooms; (iv) Storage and laydown areas; (v) Laboratory; (vi) Reagent Storage Building; (vii) Gasoline Fuel Storage and Dispensing Project; (viii) Diesel Fuel Storage and Dispensing Project; (ix) Guardhouse and security features; (x) Truck scale; (xi) Site roads, drainage and grading including Conveyor Maintenance Road and Haul Road from Mine to Tailings Area; (xii) Plant site security fencing and access gates; and (xiii) Power supply from EDELCA's local substation. 2.8 Camp (a) The Camp for the Project will consist of the following: (i) 1200 person construction camp; (ii) 600 person permanent camp for life of mine operations, maintenance and service supplies; (iii) Potable Water Tank and distribution system; (iv) Camp Fire Protection water storage and distribution system; (v) Sewage Treatment Plant; and (vi) Power supply. 2.9 Site Access (a) Site access will consist of two Site access roads from Highway 10. 2.10 Port (a) The port facilities that are part of the Project will consist of: (i) Concentrate Receiving Project; (ii) Concentrate Storage Building; and (iii) Concentrate Reclaim and Ship Loading Facilities. 3. BATTERY LIMITS AND OWNER SUPPLY 3.1 Camp Accommodation (a) The Contractor may use any existing camp facilities of the Owner at Site until the permanent accommodation facilities are completed by Trade Contractors managed and supervised by the Contractor. Access and

use of such facilities shall be coordinated with the Owner and are subject to space availability. (b) When completed by the Contractor, the permanent accommodation facilities will be made available to the Contractor by the Owner. Accommodations must be reserved for up to 350 of the Owner's mine operations and maintenance employees when they start up mining activity approximately one year before Mechanical Completion (c) All accommodation and catering facilities provided by the Owner shall be made available to the Contractor on an as available basis up to a maximum of 20 beds, and the Contractor acknowledges and agrees that first priority to the accommodation and catering facilities will be given to the Owner's Personnel. (d) The Contractor shall arrange for any additional accommodation facilities that it may require for the Contractor's Personnel. (e) The Contractor shall coordinate the occupancy and use of the Owner's temporary and permanent accommodations and catering facilities with the Owner. The Contractor shall provide a schedule of the expected occupancy to be catered for based on best monthly estimates and divided into the numbers anticipated in the categories of senior personnel, junior personnel and artisans. Unless otherwise agreed, at the beginning of each month the Owner will advise the Contractor of the Owner's camp accommodation and catering facilities that will be available to the Contractor in that month for use by the Contractor and representatives of Vendors and other Trade Contractors. (f) The Contractor confirms and agrees that it has used and is already fully familiar with the accommodations and catering facilities provided at the temporary camp, and these accommodations and facilities are satisfactory and acceptable to the Contractor. The Contractor confirms and agrees that the permanent accommodation facilities, once completed by the Contractor and once permanent camp catering has commenced at those facilities, will be satisfactory and acceptable to the Contractor. (g) The Contractor will be responsible for damage to camp facilities caused by the Contractor's Personnel other than ordinary wear and tear. 3.2 Fuel (a) Until the planned permanent fuel facilities are made available by the Owner for use by Trade Contractors, the Contractor will be responsible for arranging the supply, storage and distribution of any fuels and lubricants required for its own use or for construction purposes. Fuel will be provided by the Owner to the Contractor for its own use free of charge. (b) Once the permanent fuel facilities are completed and operational, the Contractor will manage them and Trade Contractors may obtain fuels and lubricants from those facilities. If Trade Contractors are engaged on a fixed contract price basis, the Trade Contractors will be charged and will pay the price paid by the Owner for all fuels and lubricants obtained from the permanent fuel facilities or that may be otherwise obtained from or through the Owner. 3.3 Water (a) The water required for hydrostatic testing of CIL tanks, etc. will be obtained from a mutually agreed point on the water distribution system provided as part of the Project. (b) All other water required for construction purposes will be provided or obtained from other sources. The Contractor shall be responsible for arranging the provision of all potable and non-potable water required by the Contractor and by the Trade Contractors to perform their Trade Contracts, including potable water for their personnel at the Site. All temporary pumping, distribution piping, storage tanks and valves etc., required by Trade Contractors shall be at the Trade Contractor's cost. 3.4 Electricity (a) The Contractor is responsible for supervising the installation of the new powerline from the existing substation near the Site to the Site, and for the emergency electrical power generating facility at the Site. (b) The Contractor is responsible for arranging all electrical distribution from the permanent electrical power substation, including poles, cable, earthing protection, lightning protection, transformers and distribution panels. (c) Once the permanent electrical power is complete and operational at Site, Trade Contractors may obtain electrical power, for construction purposes only, from the permanent power facility and its distribution network. There will be no charge for this power but any use of the permanent power shall be coordinated by the Contractor with the Owner and shall be subject to such reasonable terms and conditions as the Contractor may impose on Trade Contractors to safeguard and protect the permanent power facility and its associated equipment. 4. INDIGENOUS PEOPLES CONSIDERATION 4.1 General (a) The Owner desires to promote and maximize the socio-economic development of the Indigenous People in the region in which the Site is located, including promoting and maximizing regional content through local hires, purchases, rental of equipment and utilization of local contractors and suppliers. 5. TRAINING AND O&M MANUALS 5.1 Skills Assessment and Training - Local People (a) The Owner desires to maximize the employment of qualified local people. The Owner requires development of a Skills Assessment and Training program to assess the skills of the local people (within 20 km of the Project). The product of the program will be a database of registered potential workers for Trade Contractors to hire for work on the Project and meet the Owner's objective of maximizing employment of qualified local people. Training and safety orientation will be provided as part of the program. 5.2 Training of O&M Personnel (a) The Owner requires development of a Training Program with sufficient and adequate training and instruction for the Owner's O&M Personnel to operate and maintain the Project without further assistance

by the Contractor from and after the date of Industrial Completion. 5.3 O&M Manuals (a) The Owner requires two sets of O&M Manuals for each piece of equipment for development of the Training Program. In addition, the Owner requires two sets of the final O&M Manuals (Final O&M Manuals), complete and detailed in all respects and incorporating the final result of all adjustments, alterations and other modifications made to the equipment, components, subsystems and systems since the date the draft O&M Manuals were submitted to the Owner, and incorporating all corrections, adjustments, changes, comments and additional information and data as may be made or obtained during the Tests on Completion. OWNER SUPPLY The Owner is responsible for providing (or causing to be provided) the following items (Owner Supply) without cost to the Contractor: 1. Existing Feasibility Study design drawings, in electronic format. 2. Existing topographic surveys, in electronic format. 3. Topographic surveying to the extent reasonably required for the Contractor to perform its Services. If the Contractor advises additional topographic surveying is required for the Contractor to properly provide its Services, the topographic surveying will be contracted by the Owner or an affiliate thereof to a Venezuelan firm agreed to by the Owner and the Contractor. 4. Environmental and Social Impact Assessment Study for the Project, as prepared by the Owner or an affiliate thereof and submitted to the Governmental Authorities to obtain the necessary Permits, Licences and Approvals for the Project to proceed to the Project Execution Phase. 5. General Environmental Management Plan for the Project, as prepared by the Owner or an affiliate thereof and submitted to the Governmental Authorities to obtain the necessary Permits, Licences and Approvals required for the Project to proceed to the Project Execution Phase. 6. Applying for and obtaining Permits, Licences and Approvals from relevant Governmental Authorities in Venezuela as required for the Project in order to initiate general construction. 7. Use of the existing pad for installation of the concentrate handling and ship loading facilities. 8. Those items expressly specified to be provided by the Owner in the Performance Guarantees. [Redacted] COMPENSATION This Appendix includes the following separate appendices, all of which are hereby incorporated into and form part of this Appendix 6 - Compensation: Appendix No. Description 6 1 Contract Price 6 2 Hourly Remuneration 6-3 Eligible Disbursements Except where otherwise expressly indicated to be in CDN$, all prices specified in this Appendix 6 are in US$ and are all-inclusive (save and except Excluded Taxes), including but not limited to all direct, indirect, overheads, administrative burdens and consequential costs and expenses. All reimbursable costs incurred by the Contractor in Venezuela shall be billed and paid in Venezuela by means of Venezuelan Bolivares (Bs). All reimbursable costs incurred by the Contractor outside Venezuela shall be paid in Canada by means of U.S. Dollars unless otherwise required or permitted by law and agreed by the Parties. So long as it is permitted by law, the Contractor shall be paid by means of electronic transfer of funds to the bank account designated by the Contractor. The application of the prices or amounts contained in this Appendix 6 shall be in accordance with the provisions of the Contract. APPENDIX 6-1 CONTRACT PRICE 1. CONTRACT PRICE 1.1 As total compensation for its Services, the Contractor will be paid the aggregate of the following amounts (the Contract Price): (a) Hourly Remuneration for each of its personnel engaged in the performance of the Services, at hourly rates for each such personnel as determined in accordance with Appendix 6-2 Hourly Remuneration; and (b) Eligible Disbursements. 1.2 The estimated Contract Price as of the Date of Contract is US$16,296,000. This estimated Contract Price does not include escalation beyond March 31, 2005. 2. TAXES 2.1 The Contract Price is exclusive of Excluded Taxes, which shall be paid by the Owner. If any Venezuelan Taxes apply to any part of the Contract Price, the difference between such Venezuelan Taxes and the Taxes to which the Contractor and the Contractors personnel are subject in Canada shall be reimbursed by the Owner to the Contractor as an eligible disbursement. To the extent applicable, the Owner is responsible for payment of VAT. 2.2 Excluded Taxes means the VAT, for payments to which the VAT applies by Applicable Laws in Venezuela, and means all other Taxes imposed by Applicable Laws in Venezuela for which the Contractor and the Contractors Personnel are responsible under the laws of Venezuela (but only to the extent that such Taxes imposed by Applicable Laws in Venezuela differ in kind or amounts from those which the Contractor and the Contractors Personnel would be responsible for if the Project was in Ontario, Canada and all Services were provided by the Contractor in Ontario, Canada). APPENDIX 6-2 HOURLY REMUNERATION [Redacted] APPENDIX 6-3 ELIGIBLE DISBURSEMENTS [Redacted] SPECIAL CONDITIONS 1.1 General (a) In the Contract, terms defined in s. 1.2 of this Appendix 7 shall have the meanings ascribed to them in s. 1.2 of this Appendix 7 unless a contrary intention is indicated. 1.2 Definition (1.2) (a) Approved Project Budget means the definitive Project Budget established to be by the EP Consultant during the Project Definition Phase as accepted and approved by the Owner's Representative under this Contract. (b) Detailed Design means the detailed design to be undertaken by the EP Consultant (or, as provided in section 1.4, by the Contractor) and from the Project Definition

Design Documentation to produce all necessary detailed engineering designs and documentation sufficient for the procurement, installation, construction and Commissioning of the Project as set out in the Scope of Services. (c) Detailed Design Documentation means the Documentation to be prepared by the EP Consultant from the Project Definition Design Documentation in order to enable the EP Consultant to carry out the Detailed Design, to permit the letting of Trade Contracts. (d) Detailed Project Completion Schedule means the detailed Project completion schedule, consistent with Appendix 9 - Project Schedule, to be produced by the EP Consultant in the Project Definition Phase in accordance with the Scope of Services, and which is submitted to and accepted by the Owner as the detailed schedule for the Project. (e) EP Consultant means the entity that contracts separately with the Owner, or a corporate affiliate of the Owner, in respect to the provision of certain construction management, engineering and procurement support, commissioning, and performance testing services in relation to the Project other than the Services. (f) Fee has the meaning given to it in Appendix 6 - Compensation. (g) Human Resources and Industrial Relations Plan means the construction labour management plan to be produced by the Contractor in the Project Definition Phase in accordance with the Scope of Services. 1.3 General Requirements Regarding Services (a) The Contractor acknowledges and agrees that, based on its knowledge of this Project and its special skill, knowledge and expertise in performing field engineering, field procurement, construction management services for projects comparable in nature, size and complexity to the Project, the Contractor is of the opinion that it knows and understands (and shall be deemed to know and understand) what is required to complete the Facility and the Project, and also the Services required of the Contractor under this Contract, to achieve the objectives of achieving Industrial Completion by the Date for Industrial Completion and completing the Project within the Approved Project Budget, and further is of the opinion that it is possible to achieve the aforesaid objectives. Accordingly, subject to GC 3.3.3 and to the Owner Supply under Appendix 4 Owner Supply, the Contractors task is to provide field engineering and field procurement, provide project management, and commission a complete and operational Facility (designed, engineered, and with materials and equipment procured by others) that is constructed in compliance with, and when operated and maintained in accordance with the O&M Manuals complies with, all Applicable Laws, Prudent Industry Practice, and that meets and satisfies all of the requirements of the Contract including the Performance Guarantees (subject to the limitations of liability contained herein for failing to achieve the Performance Guarantees) and, further, the Contractor agrees to and shall provide training of the O&M Personnel to be engaged by or through the Owner, in each instance all on, in accordance with and subject to the provisions of the Contract. 1.4 Preparation of the Detailed Design (a) The Contractor shall prepare all necessary Detailed Design and Detailed Design Documentation sufficient for the procurement, installation, construction and Commissioning of the Project as are required under Venezuelan law to be prepared by professionals licensed in Venezuela. Such Detailed Design shall be prepared in accordance with GC 9. (b) The Contractor shall liaise closely with the Owner and EP Consultant to ensure the Contractor continues to meet the requirements of the Owner as specified in the Contract and any other requirements as made available to and directed by the Owners Representative from time to time, and to comply with applicable laws at the Project Site in Venezuela, including laws in respect of review or completion of design drawings and other deliverables by professionals licensed in Venezuela. (c) The Owners Representative may direct the Contractor to vary the Detailed Design. GC 2.1 and GC 2.3 apply to any such direction. (d) The Contractor shall obtain all necessary approvals and conduct reviews of the Detailed Design as required under this Contract and as directed by the Owners Representative. 1.5 Quality Assurance (i) 1.3.1 The Contractor shall comply, and ensure its subcontractors comply, with the Quality Assurance Plan prepared by the EP Consultant. 1.6 Industrial Completion (a) The Contractor shall give the Owner's Representative fourteen (14) days' Notice of the date on which the Contractor estimates that Industrial Completion will be achieved. (b) No earlier than the date nominated by the Contractor in its Notice given under GC (a) or (e), the Owner's Representative and the Contractor's Representative shall jointly inspect the Project at a mutually convenient time. (c) If the joint inspection reveals that Industrial Completion has been achieved, the Owner's Representative shall give the Contractor written certification of that fact in the form of the Certificate of Provisional Acceptance, within fourteen (14) days of the completion of the joint inspection. (d) If the joint inspection reveals that all conditions for Industrial Completion have not been met, the Owner's Representative shall within fourteen (14) days of the completion of the joint inspection: (i) prepare and give to the Contractor a list of items which require attention by the Contractor in order for Industrial Completion to be achieved; (ii) advise the Contractor that the state of completion of the Services is so far from Industrial Completion that it is inappropriate to provide a list as described in GC 1.6(d)(i); or (iii) prepare and give to the Contractor a conditional Certificate of Provisional Acceptance which states that Industrial Completion has

been achieved subject to the matters set out in a list included in or attached to the certificate being attended to in accordance with this Contract. (e) The Contractor shall advise the Owner's Representative in writing when it considers that the items in the Owner's Representative's list described in GC 1.6(d)(i) or GC 1.6(d)(iii) have been completed. (f) The Contractor shall attend to and complete the items in the Owner's Representative's list described in GC 1.6(d)(i) or GC 1.6(d)(iii) as soon as practicable and in any event by the time nominated by the Owner's Representative (in the list or subsequent to the issue of the list). (g) GC 1.6(c) to GC 1.6(f) will continue to apply until the Owner's Representative issues a Certificate of Provisional Acceptance or a conditional Certificate of Provisional Acceptance. (h) If at any time a Notice required to be given by the Contractor under GC 1.6(a) or 1.6(f) is not given by the Contractor, yet the Owner's Representative is of the opinion that Industrial Completion has been achieved, the Owner's Representative may issue a Certificate of Provisional Acceptance under GC 1.6(c). 1.7 Final Acceptance (a) The Contractor shall give the Owner's Representative fourteen (14) days' Notice of the date on which the Contractor estimates that Final Acceptance will be achieved. (b) No earlier than the date nominated by the Contractor in its Notice given under GC (a) or GC (e), the Owner's Representative and the Contractor's Representative shall jointly inspect the Project at a mutually convenient time. (c) If the joint inspection reveals that Final Acceptance has been achieved, the Owner's Representative shall give the Contractor written certification of that fact in the form of the Certificate of Final Acceptance, within fourteen (14) days of the completion of the joint inspection. (d) If the joint inspection reveals that all conditions for Final Acceptance have not been met, the Owner's Representative shall within fourteen (14) days of the completion of the joint inspection: (i) prepare and give to the Contractor a list of items which require attention by the Contractor in order for Final Acceptance to be achieved; (ii) advise the Contractor that the state of completion of the Services is so far from Final Acceptance that it is inappropriate to provide a list as described in GC (d)(i); or (iii) prepare and give to the Contractor a conditional Certificate of Final Acceptance which states that Final Acceptance has been achieved subject to the matters set out in a list included in or attached to the certificate being attended to in accordance with this Contract. (e) The Contractor shall advise the Owner's Representative in writing when it considers that the items in the Owner's Representative's list described in GC (d)(d)(i) or GC (d)(d)(iii) have been completed. (f) The Contractor shall attend to and complete the items in the Owner's Representative's list described in GC (d)(d)(i) or GC (d)(d)(iii) as soon as practicable and in any event by the time nominated by the Owner's Representative (in the list or subsequent to the issue of the list). (g) GC (c) to GC (f) will continue to apply until the Owner's Representative issues a Certificate of Final Acceptance or a conditional Certificate of Final Acceptance. (h) If at any time a Notice required to be given by the Contractor under GC (a) or (f) is not given by the Contractor, yet the Owner's Representative is of the opinion that Final Acceptance has been achieved, the Owner's Representative may issue a Certificate of Final Acceptance under GC (c). 1.8 Access (8.1) (a) Subject to GC (b) and GC 1.9, the Owner will, on or before the expiry of the fourteen (14) days Notice given by the Contractor in accordance with GC 1.9(a)(i), give the Contractor non-exclusive access to the Site sufficient to enable it to carry out its obligations under this Contract. (b) The Contractor's right to access the Site and the Owner's obligation to provide access to the Site are subject to the restrictions set out in the Contract. 1.9 Site Obligations (a) The Contractor shall: (i) give not less than fourteen (14) days Notice to the Owner that it requires access to the Site; (ii) prior to the time such access is required, provide to the Owner evidence that all insurances which the Contractor is required to procure and maintain pursuant to GC 23.2 is in place and in force; (iii) submit and receive approval from the Owner's Representative to the security required under GC 22.1; and (iv) where access is required during Project Execution, and if not already obtained, submit and receive approval from the Owner's Representative to the following before accessing the Site: (1) the Safety and Health Plan; (2) the Human Resources and Industrial Relations Plan; (3) the Quality Assurance Plan; and (4) the Project Plan. (b) The Owner shall provide to the Contractor by the time access to the Site is required for the Project Execution Services evidence that all insurances which the Owner is required to procure and maintain pursuant to GC 23.1 is in place and in force. The Contractor shall not be required to mobilize to the Site or commence activities at the Site until such evidence has been provided. 1.10 Induction Training (a) The Contractor shall ensure that all Contract Personnel undergo induction training required for the Site in accordance with the Site safety requirements and the requirements set out in the Safety and Health Plan before they are given access to the Site. 1.11 Site and Public Safety Requirements (a) In addition to the Contractor's responsibilities for implementation of the Safety and Health Plan, including the site-specific safety program, safety plans and safe work procedures, and for implementation of a public safety management plan and the Environmental Management Plan, all as described in the Contract (including the Owner's Requirements), the Contractor until Industrial Completion shall

(as between the Owner and the Contractor) have sole responsibility for managing safety at Site, including without limitation enforcement of the Safety and Health Plan provided by EP Consultant, and shall take all reasonable measures and provide all reasonable protection to prevent any injury to persons or damage to property on, about or adjacent to the Site. (b) Without limiting but in addition to all other requirements in the Contract, the Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Project until Industrial Completion. Until Industrial Completion has been obtained, the Contractor shall implement and enforce all reasonable procedures and precautions to be followed by everyone on Site for the safety of, and to prevent damage, injury or loss to: (i) all of its Contract Personnel, all employees and workers of Trade Contractors and all Persons entitled to be upon the Site, including by keeping the Site (so far as the same is under its control) and the Facility (so far as the same is not completed or occupied and used by the Owner in the manner as contemplated for the completed Project) in an orderly state appropriate to the avoidance of unreasonable danger to such Persons; and (ii) the Facility, all equipment, materials, supplies, tools, or other items provided in connection with the Project, and all Trade Contractor's equipment, whether in storage on or off the Site, including for the protection thereof from robbery, theft and pilferage. The Contractor shall provide the Owner with copies of all notices to and other written communications with Governmental Authorities and insurance companies with respect to accidents that occur at the Site, and thereafter provide such written reports relating thereto as may be requested by the Owner, to the extent that any such notices, written communications and other written reports are not protected by solicitor client or other generally accepted privilege or confidentiality obligation. (c) The Contractor shall cause to be erected and maintained, as required by existing conditions and progress of the completion of the Project, all reasonable safeguards for safety and protection, including barriers, lights, fences, ladders, stairways, railings and walkways. The Contractor shall cause to be posted danger signs and other warnings against hazards, and shall promulgate safety regulations and notify owners and users of adjacent utilities of any dangerous or hazardous conditions, or dangerous or hazardous conditions caused by or arising from the Project. safety and protection, including barriers, lights, fences, ladders, stairways, railings and walkways. The Contractor shall cause to be posted danger signs and other warnings against hazards, and shall promulgate safety regulations and notify owners and users of adjacent utilities of any dangerous or hazardous conditions, or dangerous or hazardous conditions caused by or arising from the Project. (d) The Contractor shall take all reasonable measures to ensure the utmost reasonable care is exercised in the use and handling of explosives or other hazardous substances or hazardous equipment by Trade Contractors and that only competent, trained, experienced and, where required by Applicable Laws, duly licensed workers of Trade Contractors shall be permitted to handle such explosives or other hazardous substances or hazardous equipment. (e) The Contractor shall provide the Owner with copies of all notices to and other written communications with Governmental Authorities and insurance companies with respect to accidents that occur at the Site, and thereafter provide such written reports relating thereto as may be requested by the Owner, to the extent that any such notices, written communications and other written reports are not protected by solicitor client or other generally accepted privilege or confidentiality obligation. (f) The Contractor shall afford and provide to Governmental Authorities, and to their representatives, employees, consultants and agents, reasonable access as required by Applicable Laws at all times to the Site and to all parts of the Work wherever performed. (g) The Contractor shall: (i) use all reasonable efforts to ensure that Contract Personnel while upon the Site, comply with all obligations of the Contractor under, and all other requirements of the Applicable Laws; (ii) comply with, and use all reasonable efforts to ensure that Contract Personnel and all Trade Contractors where the Contractor is the Owners Representative or the disclosed agent under the relevant Trade Contract comply with: (1) the requirements of the Owner Standards and Procedures; (2) any Site safety regulations issued from time to time to the Contractor by the Owners Representative; and (3) the requirements of the approved Safety and Health Plan; (iii) implement and comply with all necessary safety, security and environmental requirements of the Owner for the Site; (iv) use all reasonable efforts to ensure that the Project is performed in a safe manner, including: (1) causing the erecting and maintenance, as required by existing conditions and the progress of the performance of the Project, of all safeguards necessary for safety and protection (including barriers, fences and railings); and (2) causing the posting of danger signs and other warnings against hazards (including all such signs and other warnings required by Applicable Laws) and notifying the Owner and other users of any dangerous or hazardous conditions arising out of the performance of the Project; (v) have appropriate first aid facilities available on the Site at all times and a member of its staff, fully qualified and experienced in occupational health and safety and familiar with Applicable Laws relating to or governing occupational health and safety, present during the performance of the Services or Trade Contracts on

the Site; and (vi) not leave any work or partly completed work in an unsafe condition or in a condition which might cause damage to other work, plant, machinery or equipment, and continue such work until it is in a safe condition; (h) Despite GC 26.4, if the Owner determines that it is necessary for it or any third party to take urgent action to remedy any safety or operational risk at the Site or any part of the Site that is under the control of the Contractor, then: (i) the Owner may take any action it considers appropriate to remedy the safety or operational risk; and (ii) the Contractor shall indemnify the Owner against any cost the Owner incurs for the purpose of taking such action if, and only to the extent, the urgent safety and operational risk was caused or contributed by a breach by the Contractor of its obligations arising out of or in relation to this Contract. 1.12 Protection of People and Property (a) The Contractor shall use all reasonable efforts to ensure that all measures necessary to protect people and property on the Site are taken, and to protect people and property adjacent to the Site from injury or damage caused by or resulting from activities on the Site. (b) Without limiting GC 23 if any Contract Personnel damage property, the Contractor shall promptly make good the damage and pay any compensation which the Applicable Laws requires the Contractor to pay. (c) If the Contractor fails to comply with an obligation under GC 1.11 or GC 1.12, the Owner, when in the opinion of the Owner urgent action is required, may perform or have performed the obligation on the Contractor's behalf to remedy any health, safety or operational risk and the cost incurred will be a debt due and payable from the Contractor to the Owner. 1.13 Access for the Owner, the Owner's Representative and others and Site Condition (a) The Contractor shall ensure that: (i) the Owner, the Owner's Representative and any other person authorized by the Owner or the Owner's Representative (including Other Contractors); and (ii) any person authorized by Applicable Laws to have access to the Site for the purpose of exercising a function or discharging a responsibility which that person has under Applicable Laws, have safe access to any part of the Site and at such times as such person requires during the execution of the Project at the Site. (b) The Contractor shall provide (and cause Trade Contractors to provide) the Owner and the Owner's Representative, at all reasonable times, with access to all workshops and places whether at the Site or not, where work is being prepared or from where materials, manufactured articles or machinery are being obtained for the Project. (c) The Contractor shall: (i) arrange for or procure proper security for any part of the Site that reasonably requires such security or protection; and (ii) cause or require Trade Contractors to keep all parts of the Site occupied or used by Trade Contractors in a clean and tidy condition. 1.14 Other Contractors (8.9) (a) The Contractor acknowledges and agrees that Other Contractors may be present on the Site during the performance of the Services by the Contractor. (b) The Contractor shall, and shall use all reasonable efforts to ensure that all Trade Contractors: (i) co-operate with all Other Contractors; (ii) co-ordinate their work with the Other Contractors' work to minimise any delays; (iii) not obstruct, delay or interfere with or damage Other Contractors' work; (iv) comply with all directions from the Owner's Representative regarding Other Contractors and their work; and (v) allow any Other Contractors engaged by the Owner to use the amenities, facilities and services which are available for use on the Site. (c) The Owner shall use all reasonable efforts to ensure that all Other Contractors: (i) co-operate with all Trade Contractors; (ii) through the Contractor, co-ordinate their work with all Trade Contractors' work to minimise any delays; (iii) not obstruct, delay or interfere with or damage the Trade Contractors' work; (iv) comply with all directions from the Owner's Representative regarding all Trade Contractors and their work; and (v) through the Contractor, coordinate with and allow all Trade Contractors to use the amenities, facilities and services which are available for the use of Trade Contractors on the Site. (d) Where Services are being performed on the Site or any part of the Site for which the Contractor has been given or assumed exclusive control, the Contractor acknowledges and agrees that: (i) it is not entitled to make any Claim as a consequence of: (1) reasonable delays or disruption caused by Other Contractors; or (2) any direction given by the Owner's Representative pursuant to the Contract, including GC (b); (ii) any delay or disruption caused by Other Contractors will not affect or limit the Contractor's obligations or liabilities under this Contract; and (iii) any action of the Contractor under GC (b) does not lessen or otherwise affect the Contractor's other obligations under this Contract. 1.15 Owner's provided Amenities, Facilities and Services (a) Subject to GC (b), the Owner will provide the amenities, facilities and services described in Appendix 4 - Owner Supply for use by the Contractor in performing the Services. (b) Where Appendix 4 - Owner Supply states that the Contractor shall pay for the use of specific amenities, facilities and services, the Contractor shall do so. (c) The Contractor shall comply with the Owner's Representative's directions when using the amenities, facilities and services referred to in GC (a). 1.16 Things of Value or Interest (a) Anything of value or interest (including fossils, artefacts and objects of antiquity or of archaeological or anthropological interest) found on the Site: (i) shall be brought immediately to the attention of the Owner's Representative; and (ii) will, as between the Parties, be the property of the

Owner. (b) The Contractor shall, and shall ensure its subcontractors, carry out the Owner's Representative's directions in relation to any object referred to in GC (a). (c) The Contractor acknowledges and agrees that it has no right or interest in any object referred to in section 1.16(a). 1.17 Administration of the Trade Contracts (a) The Contractor shall: (i) provide all superintendence, co-ordination and construction management with the objective of facilitating each Trade Contract being: (1) completed by the completion date for it in the Milestone Schedule; and (2) within its planned cost (as stated in the Approved Project Budget); (ii) provide contract administration of the Trade Contracts (including administering and making recommendations to the Owner in relation to all progress claims, changes, extensions of time and all other matters other than certification of final acceptance or completion under the Trade Contracts); (iii) monitor the performance of the Trade Contractors under the Trade Contracts with the aim of rectifying all faults, omissions or other defects by the earlier of Final Acceptance and the defect liability periods (as the case may be) in the respective Trade Contracts; (iv) if requested by the Owner, act as the Owner's Representative in relation to the Trade Contracts; (v) provide advice and all assistance to the Owner in negotiating and resolving any issues or disputes which may arise under the Trade Contracts; and (vi) provide all relevant information to the Owner's Representative as and when required, and in any event, in sufficient time to enable the Owner to carry out its contract administration functions (if any) under the various Trade Contracts. (vii) The Services include the review of Trade Contractor shop drawings and the coordination of those shop drawings with the work of other Trade Contractors with the objective to minimize to the greatest extent reasonably possible any missing details in or conflicts among shop drawings and work of various Trade Contractors to minimize potential delays to Trade Contractors and requests for changes by Trade Contractors. 1.18 Trade Contract Payment (a) The Contractor shall: (i) upon receipt of each payment claim under a Trade Contract, review the claim, and: (1) for any claim greater than $20,000, notify in writing the Owner's Representative of the claim immediately upon receipt of the claim; and (2) for all claims, advise the Owner's Representative of the results of the Contractor's review within seven (7) Business Days of receipt of such claim; (ii) at intervals of not more than one (1) month, submit to the Owner a statement of progress claims made under Trade Contracts during the period of the statement containing full and true particulars of all such claims; and (iii) subject to receiving from the Owner particulars of payments made by the Owner, include with each statement particulars as to what sums of money have been paid and the dates on which such payments were paid under each Trade Contract. 1.19 Labour Disputes (a) The Contractor shall promptly take or cause to be taken any and all reasonable steps in connection with the resolution of violations of collective bargaining agreements and labour jurisdictional disputes between or among its Contract Personnel or the personnel of Trade Contractors, including the filing of appropriate processes with the applicable unions and Governmental Authorities to settle, enjoin, or award damages resulting from violations of collective bargaining agreements or labour jurisdictional disputes. (b) If a strike or other labour dispute occurs the Contractor shall take all reasonable actions to minimize any resulting disruption to the performance of the Services and achieving Industrial Completion by the Date for Industrial Completion and Final Acceptance by the Date for Final Acceptance. 1.20 General (Testing, Commissioning and Performance Testing) (a) The Owner, Financing Entities and insurers shall each have the right to have representatives attend all inspections, tests, Commissioning and Performance Tests. (b) In addition to the specific records of measurements that may be required by the Contract to be submitted by the Contractor to the Owner, the Contractor shall submit such additional records of measurements and other documentation that may be requested by the Owner. Further, copies of all test certificates, performance curves, and data sheets shall be submitted in reproducible form. Sufficient information shall be submitted on all test certificates, performance curves and data sheets to enable the material or equipment to which they refer to be identified. 1.21 Pre-Operational Testing Prior to Mechanical Completion (a) The Contractor shall, in accordance with the Contract and the Contractor's QA/QC Plan, submit test procedures for testing prior to Mechanical Completion to demonstrate the completion of construction and the readiness for service of all sub- systems, systems, sub-components, components and other parts of the Facility, and further that the applicable sub-systems, systems, sub-components, components and other parts of the Facility can be safely started up. Testing shall be carried out in accordance with the Contract and the plans prepared by the Contractor and approved by the Owner's Representative for such tests. 1.22 Pre-Operational Verification and Testing Prior to Practical Completion (a) The Contractor shall, in accordance with the Contract and the Contractor's QA/QC Plan, submit test procedures for all tests required after Mechanical Completion, other than the Performance Tests, to demonstrate that all systems, sub-systems, components, sub-components and equipment for the Project are ready for service and will perform as a complete, integrated whole and in accordance with the requirements of the Contract. Testing shall be carried out in accordance with the plans

prepared by the Contractor and approved by the Owner's Representative. 1.23 System Commissioning (a) The Contractor shall: (i) within the time required by the Project Plan, prepare a comprehensive draft plan for Commissioning and submit it for approval to the Owner's Representative; (ii) make such amendments to the draft plan for Commissioning as may be required by the Owner's Representative and resubmit it for approval, within the time required by the Owner's Representative; (iii) provide all supervisory, management and specialized personnel as required to perform Commissioning and demonstrate whether Industrial Completion has been achieved; and (iv) without limiting its obligation under GC 1.7(a) ensure that the Commissioning of the Project is carried out in accordance with the approved plan for Commissioning. 1.24 Facility Turnover to Owner for Normal Operations on Industrial Completion From and after the date the Contract requirements for Industrial Completion have been met as certified by the Certificate of Industrial Completion, the Facility will commence normal commercial operations and the Owner shall take direct control over all aspects of operation and maintenance of the Facility. The Contractor shall thereafter coordinate any remaining Services with the Owner and perform such Services in the manner and at the times required by the Owner to allow the Owner to maximize continuous commercial operation of the Facility at its full throughput. 1.25 Labour Special Conditions (a) If any of Contractors current or former workers and/or independent consultants, contractors or subcontractors, and/or any administrative or judicial entity, makes, issues or files, threatens to make, issues or files, or causes to make, (whether before or out of any administrative or judicial entity), directly and indirectly, totally or partially, any type of assessments and/or claims against the Owner for payment of any labour rights and/or social contributions or payroll taxes, pensions, penalties, fines, indemnifications, indemnities, rights, benefits or items, whether in cash or in kind, statutory or contractual, arising from any source of labour and/or social rights regardless of its nature, such sources of labour and/or social rights including, without limitation, the Organic Labour Law, any applicable collective bargaining agreements (convenciones colectivas de trabajo), any applicable union management agreements (actas convenio), any component of the social security legislation of Venezuela (including, without limitation, the Law of the Social Security System of 2002, the Law of the Housing and Habitat Payment System of May, 2005, the Organic Law on Prevention, Conditions and Working Environment of July, 2005 and the Law of the Employment Payment System of September, 2005), the Law of the National Institute of Cooperative Education (INCE), their corresponding Regulations, any other labour provision or Regulation (e.g.: Childcare Regulations), and such assessments and/or claims including, without limitation, assessments and/or claims seeking payment of salaries, wages, bonuses, seniority payment, seniority indemnity, severance pay, termination notice, transfer compensation, indemnities for unjustified dismissal, profit sharing, vacation bonus, vacations, indemnities, payments or benefits for occupational accidents or work-related illnesses, night work bonus or surcharge, overtime surcharge, payments and surcharges for work performed during rest days and/or holidays, the provision of food in any form, payment or provision of transportation, payment or provision of housing, payment of rest days and holidays, medical, pharmaceutical and surgical services or assistance, medical expenses, medicines, professional fees, hospitalization and surgery costs resulting from accidents or illnesses, whether or not work related, pensions, social contributions or payroll taxes, travel expenses and per diem expenses, arising from, or relating to, directly or indirectly, the services performed by said workers and/or independent consultants, contractors or subcontractors to the Contractor or any other company related to the Contractor, then the Contractor shall be solely and exclusively responsible for any of such assessments and/or claims, and shall indemnify and hold the Owner harmless from any of such claims, (i) by: (A) paying all lawyers fees incurred by the Owner in the exercise of its defence against the administrative entity, and/or the workers or independent consultants or contractors, whether before or out of the administrative or judicial entity; and (B) paying the corresponding labour right(s) and/or social contribution(s) or payroll tax(es), pension(s), penalty(ies), fine(s), benefit(s), right(s), indemnity(ies), item(s) or payment(s) imposed upon the Owner and/or awarded to the worker(s) or independent consultant(s), contractor(s) or subcontractor(s) against the Owner, either jointly with other person(s), entity(ies) or company(ies) or severally, by the administrative or judicial entity prosecuting or hearing the case, and/or resulting from a settlement of the claim reached by and between the individual(s) claimant(s), and/or the corresponding administrative entity prosecuting the case, as party of the first part, and the Owner and/or the Contractor, as party of the second part. (ii) It being understood that: (A) The Owner shall promptly advise the Contractor of any claim which is the subject of this Appendix 7, and give the Contractor the opportunity to defend and/or settle the claim itself; (B) If the Contractor does not defend or settle the claim, the Owners may defend the claim, and such defence shall be exercised in accordance with the Owners own judgment and decisions with respect thereto, and the Owner may negotiate and enter into a reasonable settlement

of any of such assessment(s) and/or claim(s), without the Contractors authorization, which settlement shall definitely bind the Contractor to comply with its obligation to pay the settlement amount reached by and between the parties thereto. MILESTONE SCHEDULE The Contractor agrees that the Contractor shall complete the Services so that all of the following Milestone Events are achieved on or before the applicable Milestone Date specified in the following table, and as calculated from the date Notice to Proceed (NTP) is issued by the Owner to the Contractor. See Notes to Schedule 8. Item Milestone Event Milestone Date 1. Project Definition Report Complete 13-Jan-06 2. [Intentionally deleted] 3. Commence Construction 01-May-06 4. Complete Pit Dewatering Well System 29-Sep-06 5. Crushing and Conveying Mechanically Complete 03-Aug-07 6. Permanent Camp Available for Partial Occupancy 11-Jun-07 7. Complete Mine Infrastructure 14-Sep-07 8. Tailing Facility Mechanically Complete 12-Oct-07 9. Permanent High Voltage Power Distribution Complete 15-Nov-07 10. Cyanidation Mechanically Complete 16-Nov-07 11. Port Facility Mechanically Complete 04-Apr-08 12. Flotation Mechanically Complete 02-May-08 13. Mechanical Completion of Project as a whole 02-May-08 14. Industrial Completion 27-Jun-08 15. Performance Guarantees demonstrated to have been achieved 19-Dec-08 16. Final Acceptance 19-Dec-08 PROJECT SCHEDULE Attached to and immediately following this page is the Project Schedule to be achieved and met by the Contractor. Notes: 1. It is acknowledged that the Notice to Proceed with Project Execution Services (which authorizes performance of all Project Execution Services) may be delivered to the Contractor on a date later than April 14, 2006 (the Assumed Notice to Proceed Date) shown on the attached schedule. 2. If the Notice to Proceed with Project Execution Services is delivered on a date later than the Assumed Notice to Proceed Date, then the commencement and end dates (but not the duration) of each and all activities that are shown in the attached schedule and Appendix 9 to occur on or after the Assumed Notice to Proceed Date shall be adjusted by an amount equal to the number of days between the Assumed Notice to Proceed Date and the date the Notice to Proceed with Project Execution is delivered to the Contractor. 3. In the event that the Owner authorizes the Contractor to proceed with any of the Project Execution Services prior to issuance of the Notice to Proceed, then the commencement and end dates referred to in the foregoing note shall be subject to equitable adjustment. 4. The Contractor shall be entitled to a Change Order in the circumstances described in Note 2 or 3, above. [RESERVED] INSURANCE This Appendix is comprised of the following separate appendices, all of which are hereby incorporated by reference herein and each of which may be referred to either by a general reference to this Appendix or by a specific reference to the applicable appendix within this Appendix in which it is located, as listed below: Appendix No. Description 11-1 Insurance by Owner 11-2 Insurance by Contractor Unless otherwise specified, all dollar amounts herein are in United States Dollars. APPENDIX 11-1 INSURANCE BY OWNER 1. INSURANCE PROCURED BY OWNER 1.1 The Owner will procure and, for the time limits specified herein, maintain a commercial general liability insurance policy on a wrap-up basis (Wrap-Up Policy) and an all risks course of construction insurance policy (Builders Risk Policy) as described in this Appendix 11-1. These policies will cover not only the Services which are the subject of the Contract but will also provide coverage for work and services which are the subject of Trade Contracts and of other contracts between the Owner and other contractors and consultants related to the Project. With regard to these policies of insurance as they relate to the Contractor: (a) aggregate and per occurrence limits contained in the policies may limit or negate insurance otherwise available to the Contractor under the policies; (b) insurance coverage provided to the Contractor and its subconsultants and subcontractors under the policies will only apply to the Services performed by them for the Contract; and (c) insurance coverage provided to the Contractor and its subconsultants and subcontractors shall be endorsed to be primary and non-contributory to the other insurance coverages of the Contractor and its subconsultant and subcontractors. 1.2 Subject to the Contractor in a timely manner providing all information required by the insurer(s) in respect of the policies, and unless the Contractor and Owner agree to other dates, the Owner will procure: (a) the Wrap-Up Policy on the later of the date the Owner notifies the Contractor to commence with the Project Execution Phase of the Project and the date construction operations managed by the Contractor commence at Site; and (b) the Builders Risk Policy on the later of the date the Owner notifies the Contractor to commence with the Project Execution Phase of the Project, and the date construction operations managed by the Contractor, other than excavation, commence at the Site. 2. USE AND OCCUPANCY BY OWNER AND CONTRACTOR 2.1 Subject to Section 2.2 of this Appendix 11-1, the Wrap-Up Policy and the Builders Risk Policy will permit or allow use and occupancy of the Project by the Contractor and Owner to produce concentrate and other products after Mechanical Completion and prior to Industrial Completion. 2.2 The Owner at its sole discretion, at any time from and after the date production commences by the Project, may procure an operations policy of insurance (the Operations Policy),

which at the Owners sole option may supplement or replace entirely the Wrap-Up Policy and the Builders Risk Policy. If the Operations Policy replaces either or both the Wrap-Up Policy and the Builders Risk Policy prior to the dates that the Owner is required by this Appendix 11-1 to maintain the Wrap-Up Policy and Builders Risk Policy in effect, then the Operations Policy will provide insurance cover to the Contractor comparable to that previously provided by the Wrap-Up Policy or Builders Risk Policy, as applicable, but only for the time that this Appendix 11-1 requires the Owner to maintain the Wrap-Up Policy and Builders Risk Policy in effect. 2.3 If the amount of the deductible for any claim under the Operations Policy for which cover is provided to the Contractor pursuant to Section 2.2 is more than the amount of the deductible for the same claim if made against the Contractor under the Wrap-Up Policy or Builders Risk Policy, as applicable, then the Owner will be responsible for the difference between the amount of the deductible in the Wrap-Up Policy and Builders Risk Policy, as applicable, and the amount of the deductible in the Operations Policy. 2.4 Unless the Owner otherwise agrees in writing with the Contractor, the duration of the cover for the Contractor under the Operations Policy will be limited to and not exceed the duration of cover for the Contractor under the Wrap-Up Policy and Builders Risk Policy specified in Sections 3.5 and 4.2 of this Appendix 11-1. 3. WRAP-UP LIABILITY INSURANCE 3.1 The Owner at its expense will procure and maintain a Wrap-Up Policy which will, subject to the terms thereof, have a combined single policy limit of US$ 10,000,000 for each occurrence or accident, and an aggregate policy limit of US$ 10,000,000 for completed operations and products liability. The Wrap-Up Policy may also be subject to such aggregate policy limits as the insurer may require. The policy will be primary. 3.2 The Contractor acknowledges that the Owner may require information from the Contractor in order for the Owner to procure the Wrap-Up Policy. The Contractor and its insurance brokers and advisors shall cooperate fully with the Owner and the Owners insurance brokers, and provide all information required by the Owner and its insurance brokers to procure the Wrap-Up Policy on both the terms and conditions specified in this Section 3 and such additional terms and conditions as the Owner may require at its discretion to protect and indemnify the Owner. Until the Wrap-Up Policy has been issued the Contractor shall not commence any part of the Services on Site without the prior written agreement of the Owner, which agreement may be subject to such terms and conditions as the Owner may reasonably require, including evidence from the Contractor that the Contractor has insurance available and with limits acceptable to the Owner to protect and indemnify both the Contractor and the Owner for liability arising out of such parts of the Services, and that such insurance names the Owner and its employees, consultants and agents as additional named or unnamed insureds and contains waivers of subrogation against all insureds. 3.3 Subject to the terms, conditions and exclusions contained in the Wrap-Up Policy, the Wrap-Up Policy will provide coverage for damages because of bodily injury (including death resulting therefrom) and personal injury sustained by any person or persons, or because of injury to or destruction of property arising out of any operations in connection with the Contract, and provide coverage for, among other things, but without limiting the generality of the foregoing, such general categories as: (a) broad form property damage, (b) premises and operations liability, (c) elevator and hoist liability, (d) completed operations and products liability, (e) blanket contractual liability, (f) contingent employers liability, (g) sudden and accidental pollution liability; and (h) non-owned licensed motor vehicles (except those leased for a term in excess of thirty (30) days) used in connection with the Services. 3.4 The Wrap-Up Policy will include: (a) as named or unnamed insureds, the Owner, the Contractor, Trade Contractors, and all consultants, contractors and subcontractors who are directly engaged by them to perform work or services at the Site, and their respective officers and employees; (b) a waiver of subrogation against all named and unnamed insureds; and (c) a cross-liability clause, by which (subject to aggregate policy limits) the liability of any one insured to another insured will be covered as though separate policies were issued to each. 3.5 Subject to the termination and replacement of the Wrap-Up Policy by the Owner pursuant to Section 2.2 of this Appendix 11-1, the Wrap-Up Policy will remain in force for the following periods: (a) with respect to completed operations coverage, until not less than twelve (12) months after the date of Industrial Completion, and (b) with respect to all other coverage, until the date of Industrial Completion. 3.6 Exclusions under the Wrap-Up Policy will include those exclusions common to wrap-up general liability policies for comparable international projects in South America issued at the time the Wrap-Up Policy is procured. The exact wording of the exclusions will be as prescribed by the insurer, and all acts of terrorism will be expressly excluded. The following operations performed on Site, however, will not be excluded under the Wrap-Up Policy: (a) blasting or the use of explosives; (b) pile driving; (c) excavation; (d) underpinning, shoring, removal or rebuilding of support; (e) demolition; (f) use of industrial machines such as forklifts, cranes, front-end loaders, graders, earth removers, and road building machines that are specially licensed (X plate) or operating under permit; and (g) use of machinery or

equipment such as hydraulic cranes, compressors, lift gates or winches attached to or mounted on a licensed motor vehicle provided such use is not insured by any form of automobile liability insurance required to be procured by the Contractor and its subconsultant and subcontractors. 3.7 The following deductibles will apply: (a) there will be no deductible for personal injury or bodily injury under the Wrap-Up Policy; (b) the deductible for property damage will not exceed US$ 50,000 for any one occurrence, provided however that the Owner at its discretion may obtain higher deductibles and in such case the Owner will be responsible for that part of the deductible that is in excess of US$ 50,000; and (c) there may be deductibles for extensions of coverage other than for personal injury, bodily injury or property damage. 3.8 Deductibles will be the responsibility of and paid by the party responsible for the damage. If claims arise out of the fault of more than one party, each will pay that proportion of the deductible which represents the proportion of contributory fault of the party. 3.9 The Contractor shall, in addition to and in conjunction with the giving of notices in accordance with the insurance claims procedures under the Wrap-Up Policy, notify the Owner immediately where an incident occurs that may give rise to a claim under the Wrap-Up Policy. 3.10 Where an accident occurs that gives rise to a claim, the Contractor shall assist the Owner to provide notices, proofs of loss and such other documentation as the insurer may require to process the claim under the Wrap-Up Policy. 4. ALL RISKS COURSE OF CONSTRUCTION INSURANCE 4.1 The Owner at its expense shall procure and maintain a Builders Risk Policy in an amount equal to the estimated replacement cost of the Project, but subject to and with such sub-limits as the insurer may impose for damage resulting from natural catastrophes. The Builders Risk Policy may extend to and cover other property of the Owner or under construction by other contractors for the Owner related to the Project, in which case the limits of the Builders Risk Policy will be increased by the value of that other work. 4.2 Subject to the termination and replacement of the Builders Risk Policy by the Owner pursuant to Section 2.2 of this Appendix 11-1, and subject to policy exclusions required by the insurer, the Builders Risk Policy will as between the Owner and Contractor: (a) remain in force until the date of Industrial Completion; and (b) cover all risks of direct physical loss or damage to all property as defined in the Builders Risk Policy. 4.3 The Builders Risk Policy will include: (a) as named or unnamed insureds, all of the Owner, the Contractor and its subconsultant and subcontractors, the Trade Contractors, and all consultants, contractors and subcontractors who are directly engaged by the Contractor to perform part of the Services or by the Owner to perform any other work or services at Site; and (b) a waiver of subrogation against all named and unnamed insureds, including the Owner, Contractor, Trade Contractors and against their respective consultants and subcontractors. 4.4 Exclusions under the Builders Risk Policy will be those exclusions common to Builders Risk policies designed specifically for the international construction industry for comparable projects in South America and issued at the time the policy is procured by the Owner. The exact wording of the exclusions will be as prescribed by the insurer; and will include among others: (a) Contractors equipment; (b) wear, tear, latent defects; (c) faulty or defective workmanship, material, construction or design, but this exclusion shall not apply to resultant physical damage not otherwise excluded; (d) acts of terrorism, terrorism risks and war; (e) nuclear radiation and radioactive contamination; (f) dishonesty of employees; (g) material and equipment in the course of ocean marine shipment; (h) penalties for non-completion of or delay in completion of Contract or non-compliance with Contract conditions; (i) property that is covered by warranties; (j) loss of use or occupancy; and (k) loss revealed by inventory shortage. 4.5 Deductibles under the Builders Risk Policy will not exceed the following amounts, provided however that the Owner at its discretion may obtain higher deductibles and in such case the Owner will be responsible for that part of the deductible that is in excess of the following amounts: (a) US$ 250,000 with respect to each and every loss associated with testing, commissioning and operation, and for resulting damage from defect in design, workmanship, materials and maintenance; (b) Ten (10%) of loss, with a minimum deductible of US$ 250,000, for Act of God and natural catastrophes; and (c) US$ 100,000 with respect to all other losses. All deductibles shall be paid by the party responsible, except for claims arising out of damage caused by earthquakes or floods (provided that for floods caused or worsened by the activities of the Contractor or a Trade Contractor, the Contractor or Trade Contractor shall pay the deductible). If claims arise out of the fault of more than one party, each party will pay that proportion of the deductible which represents their proportion of contributory fault. 5. MARINE CARGO 5.1 All marine cargo insurance for ocean marine cargo used to transport materials, equipment or property supplied under or used in the performance of the Services or the Project and intended to be incorporated into the completed Project (Marine Cargo Insurance) will be procured by the Owner, except where the Owner and Contractor agree that, for a particular Vendor or Trade Contractor, marine cargo insurance should be provided by such Vendor or Trade Contractor. 5.2 Marine Cargo Insurance will be in an amount sufficient to cover any one conveyance or location, with

sub-limits for debris removal of ten (10%) percent of the value of damaged items. 5.3 In addition, if an entire vessel is chartered for shipping materials, equipment or property then Charterers Liability insurance will also be provided, in reasonable amounts to protect and indemnify the Owner, Contractor and its subconsultant and subcontractors from and against liability arising out of the chartering of such vessel. 5.4 Deductibles under the Marine Cargo Insurance shall be not greater than ten (10%) percent of the total value of each shipment, with a maximum of US$ 100,000 per shipment and, if applicable, with a minimum deductible as may be agreed by the Owner and insurer. 5.5 At the Owners sole option, materials, equipment and property supplied under or used in the performance of the Contract that are required by Section 5.1 to be covered by the Marine Cargo Insurance may instead be insured for marine cargo under the Builders Risk Policy if that insurer provides such insurance as part of the Builders Risk Policy. 5.6 The Contractor shall strictly comply with, and shall ensure that its subconsultant and subcontractors and all Vendors and Trade Contractors strictly comply with, all provisions, obligations, requirements and stipulations of the insured under the Marine Cargo Insurance. If the Contractor, its subconsultant and subcontractors, or the Vendors and Trade Contractors, fail to comply strictly with all such provisions, requirements and stipulations of such policies of insurance, and if as a consequence such insurance fails to respond to a loss, then the party who failed to comply with such provisions, requirements and stipulations shall be solely responsible and liable for the loss without recourse against the Owner. 5.7 The Marine Cargo Insurance shall be maintained in force until the earlier of the completion of the last marine cargo shipment and the date of Industrial Completion. 6. RENEWAL 6.1 If the Wrap-Up Policy or Builders Risk Policy is required to be renewed before the expiry date specified for such policy in this Appendix 11-1, the Owner shall, at least thirty (30) days prior to the expiry date of the policy, furnish evidence of its renewal to the Contractor by means of a renewal certificate, endorsement, or certified copy. 7. FAILURE TO MEET INSURANCE REQUIREMENTS 7.1 If the Owner fails to procure or maintain the insurance required by this Appendix 11-1 to be procured by the Owner, fails to furnish to the Contractor a certified copy of each policy required to be obtained by this Appendix 11-1 or if, after furnishing such certified copy, the policy lapses, is cancelled, or is materially altered, then subject to any prior right that the Financing Entities may have under financing documents for the Project to obtain and maintain such insurance, the Contractor shall have the right, without obligation to do so, to obtain and maintain such insurance itself in the name of the Owner and Contractor, and the cost thereof shall be payable by the Owner to the Contractor on demand. 7.2 If coverage under any insurance policy required to be obtained by the Owner under this Appendix 11-1 should lapse, be terminated or cancelled, then the Contractor and its subconsultant and subcontractors shall immediately cease the performance of any and all Services under the Contract for which such insurance is relevant until satisfactory evidence of renewal is produced by the Owner. In such case, the Contractor will be entitled to the same extension of time for performance of the Contract and the same additional compensation as the Contractor is entitled under the provisions of the Contract for a delay caused by the Owner. 8. CONFORMANCE OF APPENDIX 11-1 TO POLICIES OF INSURANCE PROCURED BY OWNER 8.1 The Owner will use reasonable commercial efforts to obtain the Wrap-Up Policy, Builders Risk Policy and Marine Cargo Insurance in conformance with this Appendix 11-1, but the Owner and Contractor acknowledge that changes in the insurance market may make it impossible or commercially impractical to obtain those policies in strict conformance with all requirements of this Appendix 11-1. Accordingly, the Owner will, promptly after receipt of each of the Wrap-Up Policy, Builders Risk Policy and Marine Cargo Insurance from the applicable insurer, provide copies of relevant extracts of the policies (those portions of the policies that provide insurance cover to the Contractor for its own benefit) to the Contractor. Immediately upon receipt of each such policy the Contractor shall review the terms, conditions, policy limits and exclusions contained in that policy and satisfy itself that such policy conforms to the requirements of Appendix 11-1. Within thirty (30) days after receipt of each policy, the Contractor shall give Notice to the Owner of any terms, conditions, exclusions or provisions that, in its opinion, conflict or do not comply with the requirements of Appendix 11-1. The Owner will, within fourteen (14) days after receipt of such Notice, make reasonable efforts to obtain amendments to the policy from the insurer to try to make that policy comply with the requirements of Appendix 11-1. Provided, however, that if the insurer does not agree to make any or all such amendments requested by the Contractor within such fourteen (14) day time period, or if the Contractor fails to identify and notify the Owner of any conflicts, or if there are any other conflicts between the provisions of this Appendix 11-1 and the policies as procured, then in all such cases the provisions of those policies as procured shall govern and take precedence, the provisions of this Appendix 11-1 shall be deemed to be retroactively amended to conform to the provisions of the actual policies as procured by the Owner, and the Owner shall be deemed to have met and fulfilled all of its obligations under this

Appendix 11-1, and where the Contractors indemnity obligations under the Contract are limited to available proceeds of insurance procured by the Owner, such indemnity obligations shall be determined by reference to the actual policies of insurance as procured by the Owner. 9. ADJUSTING OF CLAIMS 9.1 The Owner has the right to act as agent on behalf of the Contractor in the settlement of any claim(s) under the policies procured by the Owner. Nevertheless, the Contractor shall have the right to participate in the defence or settlement of any claim(s) under such policies which are made against the Contractor or its subconsultant and subcontractors. INSURANCE BY CONTRACTOR [Redacted] [RESERVED] [RESERVED] APPENDIX 14 FORM OF RELEASE AND GENERAL WAIVER OF CLAIMS BY CONTRACTOR AT FINAL ACCEPTANCE DATE Attached to and immediately following this page is the form of Release and General Waiver of Claims by the Contractor to accompany the Contractors application for final payment upon achieving Final Acceptance. RELEASE AND GENERAL WAIVER OF CLAIMS BY CONTRACTOR AT FINAL ACCEPTANCE (Release and Waiver of Claims) In the matter of the Contract (the Contract) made as of the *_____ day of *_____, 20*____ in respect of the Brisas Project in Venezuela (the Project) between: *_____ (the Owner) *_____ and: *_____ (the Contractor) *_____ As a condition precedent to obtaining Final Acceptance, as defined in the Contract, and for and in consideration of the payment of $_____ (Final Payment) to the Contractor by the Owner, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Contractor, the Contractor covenants, represents, warrants and agrees with the Owner as follows: 1. The Contractor has properly and completely performed all of the Services under the Contract, including the correction of any and all deficiencies that may have occurred in the Services during their performance. 2. All of the Contractors subcontractors and Contract Personnel have been paid in full for all work, services, equipment, materials, supplies, tools and other items provided and performed in connection with the performance of the Contract, except holdbacks properly retained and amounts that are subject to bona fide disputes. 3. All claims and demands of the Contractor for extra work to and changes in the Contract, or in connection with the Contract in any way, have been presented in writing to the Owner and resolved to the complete satisfaction of the Contractor, save and except only those claims, if any, expressly specified in a schedule attached hereto and for which the schedule provides full, complete and detailed descriptions, including for each claim listed in the schedule a concise summary of the factual basis and amount of the claim, the date Notice of claim was first provided under the Contract, and the relevant contractual provisions that support the entitlement and amount claimed (the Outstanding Claims). 4. Except for the Contractors claims for the Final Payment and the Outstanding Claims, and subject to receipt of the Final Payment, the Contractor hereby agrees to remise, release and forever discharge, and by these presents does for itself, its successors and assigns, remise, release and forever discharge, the Owner and its officers, directors, employees, servants, agents, consultants, successors and assigns, and each of them, of and from any and all liabilities, causes of action, liens, claims, proceedings, demands, suits, debts, duties, damages, interest and costs of any nature or kind whatsoever or wheresoever, whether at law or at equity, and as of the date hereof are known or which the Contractor as an experienced contractor should have known, which the Contractor, its successors and assigns have or hereafter can, shall or may have, relating to or arising out of the Contract, the Project, the subject matter of the Contract and the Project, and all facts and circumstances related thereto. 5. This Release and Waiver of Claims has been executed voluntarily by the Contractor after receiving independent legal advice. 6. All provisions of this Release and Waiver of Claims are contractual and not merely recitals. 7. This Release and Waiver of Claims is governed by the laws of the Province of Ontario, and the parties agree to submit and attorn to the exclusive jurisdiction of any competent Court in Ontario any dispute which involves or may involve the interpretation of this Release and Waiver of Claims. 8. All capitalized terms not otherwise defined herein shall have the meaning given to them in the Contract. IN WITNESS WHEREOF the Contractor has executed this Release and Waiver of Claims as of the *_____ day of *_____, 20*____ by its duly authorized officers. THE CORPORATE SEAL of _____ [CONTRACTOR] was hereunto affixed in the presence of: Authorized Signatory Authorized Signatory CONTRACTORS ORGANIZATION CHART [Redacted] CONTRACTORS KEY PERSONNEL [Redacted] [Reserved] CONFLICT MITIGATION PROTOCOL [Redacted] [RESERVED] 99.3 Payment Guarantee Appendix C-2 Payment Guarantee PAYMENT GUARANTEE THIS IRREVOCABLE GUARANTEE ("Guarantee") is made as of the 12th day of April, 2006 IN FAVOUR OF: SNC-LAVALIN ENGINEERS & CONSTRUCTORS INC., a corporation having a place business at 2200 Lake Shore Blvd. West,

Toronto, Ontario, Canada M8V 1A4 (the "EP Consultant") AND SNC-LAVALIN INTERNATIONAL INC. VENEZUELAN BRANCH (CARACAS), a corporation having a place business at Zona Industrial Unare II,, final Calle Neveri, Centro Empresarial, Catanaima, Primer Piso, Puerto Ordaz, Estado Bolivar, Venezuela (the "CM Consultant") BY: GOLD RESERVE INC., a corporation incorporated under the laws of Canada and having its principal place of business at The Drury Building, 3081 Third Avenue, Whitehorse, Yukon, Canada Y1A 4Z7 (the "Guarantor") WHEREAS: A. Compania Aurifera Brisas del Cuyuni, CA. (the "Onshore Owner") entered into an agreement with the Contractor made as of the 12th day of April, 2006 (the "SA Contract"), pursuant to which, among other things, the Owner agreed to make certain payments, from time to time, to the Contractor arising from the performance by the Contractor of certain Services (as defined in the SA Contract) for or in relation to a new gold mine project in Brisas, Venezuela in accordance with the terms of the SA Contract; B. Gold Reserve Inc. (the "Offshore Owner") entered into an agreement with the Contractor made as of the 12th day of April, 2006 (the "CA Contract"), pursuant to which, among other things, the Owner agreed to make certain payments, from time to time, to the Contractor arising from the performance by the Contractor of certain Services (as defined in the CA Contract) for or in relation to a new gold mine project in Brisas, Venezuela in accordance with the terms of the CA Contract; C. Each of the Onshore Owner and the Offshore Owner is a subsidiary or an affiliate of, or is otherwise related directly or indirectly to, the Guarantor, and the Guarantor has an interest in the performance by the Owner of its payment obligations under the Contract; and D. It is a condition precedent of the Contract that the Guarantor provide to the Contractor the guarantees contained herein. NOW THEREFORE in consideration of the entering into the Contract by the Contractor and the payment of the sum of CDN$10.00 by the Contractor to the Guarantor, and other good and valuable consideration (the receipt and sufficiency of which is fully acknowledged by the Guarantor), the Guarantor hereby warrants to and covenants and agrees with the EP Consultant and the CM Consultant (each referred to herein as the 'Contractor') as follows in respect of the obligation of the Offshore Owner and the Onshore Owner (each referred to herein as the 'Owner') under the CA Contract and the SA Contract, respectively (each referred to herein as the 'Contract'): 1. GUARANTEE 1.1 The Guarantor, in accordance with the terms and conditions herein, hereby guarantees to the Contractor that the Owner will pay the Contractor all amounts due to the Contractor by the Owner under the Contract when such amounts are properly due thereunder and in accordance with the provisions of the Contract (collectively and individually all of the foregoing referred to herein as the "Guaranteed Obligations"), including without limitation the fulfilment by the Owner of all obligations under the Contract to: (a) pay the Contractor for the Services as rendered; (b) indemnify the Contractor and pay the Contractor damages; and (c) pay the Contractor the Base Fee and Performance Incentives earned. 1.2 The Guarantor acknowledges receipt of a copy of the Contract and represents and confirms that the Guarantor is fully familiar with all terms and conditions of the Contract. 2. REMEDIES AVAILABLE TO CONTRACTOR 2.1 Without prejudice and in addition to any and all other remedies that may be available to the Contractor against the Owner, if the Owner at any time, or from time to time, defaults in the fulfilment of any one or more of the Guaranteed Obligations (individually and collectively each such default the "Owner Default"), then so often as any such Owner Default occurs and has not been remedied by the Owner within the time permitted, if any, under the Contract, the Guarantor shall, on written demand of the Contractor specifying the Owner Default, make good, cause to be made good or otherwise remedy the Owner Default, and in such case the Contractor shall not be bound to exercise or exhaust any recourse against the Owner or its property or any other guarantor or its property before being entitled to the fulfilment by the Guarantor of the Guaranteed Obligations. 3. RECOURSE 3.1 The Contractor shall not be bound to exercise or exhaust any recourse against the Owner, the Owner's property, any surety of the Owner, or anyone else before being entitled to pursue the Guarantor for the fulfilment by the Guarantor of any and all of the Guaranteed Obligations. The Guarantor hereby irrevocably waives the right to require the Contractor to proceed against or exhaust its recourse against the Owner, the Owner's surety under any performance bond delivered under the Contract, or any other person liable on or in respect of the Guaranteed Obligations, to proceed against or exhaust any security held from the Owner or any other person in respect of the Guaranteed Obligations or to pursue any other remedy in the Contractor's power whatsoever. The Contractor may, at its election, exercise or decline to exercise any right or remedy it may have against the Owner or any security held by the Contractor in respect of the Guaranteed Obligations without affecting or impairing in any way the liability of the Guarantor hereunder, and the Guarantor hereby irrevocably waives any defence arising out of the absence, impairment or loss of any such security or right of reimbursement, contribution or subrogation or any other security, whether resulting from such election by the Contractor or otherwise. 3.2 If the Contractor obtains an arbitration award

or judgment against the Owner and in favour of the Contractor in connection with the Contract, and if the Owner fails within fourteen (14) days to comply with or pay any such arbitration award or judgment, the Guarantor: (a) within seven (7) days of receipt of demand from the Contractor, or on or before the date specified in said arbitration award or judgment (whichever comes first), will pay all amounts awarded to the Contractor in the arbitration award or judgment; and (b) subject to defences that the Owner has, agrees to and hereby waives any and all defences that the Guarantor may otherwise have to dispute or contest the validity of the arbitration or judicial proceeding the arbitral award or judgment, the amounts (if any) awarded to the Contractor in the arbitral award or judgment, and to the enforcement of this Guarantee against the Guarantor, provided that if the Owner commences legal proceedings in a court of competent jurisdiction in Ontario to appeal the validity of the arbitration award or the judgment, or the amounts (if any) awarded to the Contractor in the arbitral award or judgment, the obligation of the Guarantor to pay the amount of any such arbitration award or judgment shall be suspended until that court has rendered its decision on such appeal of the arbitral award or judgment. 4. CONTRACTOR MAY AT ITS OPTION PROCEED AGAINST GUARANTOR 4.1 If an Owner Default occurs and if the Guarantor fails forthwith on demand to remedy, make good or cause to be made good such Owner Default, including but not limited to paying the Contractor such amounts as may be due to the Contractor by the Owner under the Contract, then so often as any such Owner Default and failure shall happen the Contractor shall have the right, in its discretion, to proceed in its name directly against the Guarantor for any and all remedies provided by law, equity or in the Contract, whether by legal proceedings or otherwise, to have the Guarantor at the Contractor's option fulfil any and all of the Guaranteed Obligations of the Owner, and all of the remedies hereunder in favour of the Contractor shall be cumulative. 4.2 Without limiting but in addition to the provisions of Secti on 4.1, the Guarantor hereby irrevocably renounces all benefits of division and binds itself jointly and severally with the Owner to fulfil and perform, or cause to be fulfilled and performed, the Guaranteed Obligations in the manner and upon the terms and conditions set forth herein and in the Contract. The Guarantor agrees that a separate legal proceeding or arbitration (each an "Action"), or separate Actions, may be brought by the Contractor against the Guarantor whether or not an Action is brought against the Owner or any other person liable in respect of the Guaranteed Obligations, and whether or not the Owner or such other person is or can be joined in any such Action or Actions, provided, however, that any final judgment or award in any such Action against the Contractor in respect of the obligations of the Owner shall bind the Contractor in any subsequent or ongoing Action against the Owner or Guarantor or any other person. 5. NON-RELEASE OF LIABILITY 5.1 The obligations of the Guarantor hereunder are irrevocable, except as expressly provided herein, and the Guarantor hereby expressly agrees that until all of the Guaranteed Obligations have been fully and completely performed, or otherwise released or discharged by law or express agreement of the Parties, it shall not be released or discharged from its obligations hereunder by any matter or thing whatsoever that would otherwise release or discharge a guarantor. Without limiting the generality of the foregoing, the Guarantor expressly agrees that none of the following, whether taken by the Owner, the Contractor, the Guarantor or any other person or entity, shall in any way release, affect or impair the obligations and liabilities of the Guarantor hereunder: (a) the voluntary or involuntary liquidation, dissolution, consolidation or merger (or the sale or other disposition of all or part of the assets) of the Owner or the Guarantor; (b) the bankruptcy, receivership, insolvency, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of debt, or other similar proceeding affecting the Owner or the Guarantor or any of their assets; (c) the validity or unenforceability of any security, performance bond, third party guarantees, or other assurances intended to be granted or provided by the Owner or any other party to the Contractor under the Contract or otherwise; (d) the failure of the Contractor or any other party to take, protect or preserve any security instrument, performance bond or similar instrument from the Owner or any other party in relation to the Contract, or the loss, diminution or unenforceability or impossibility to realize or abstention from realization of any such security instrument, performance bond or similar instrument, whether or not caused or resulting from any act or omission of the Contractor or any person acting for the Contractor or for whom the Contractor may be responsible. (e) if, with or without the Guarantor's knowledge or consent, there are any one or more of the following (prior notice of which to and consent of the Guarantor is hereby expressly waived by the Guarantor), except to the extent that they themselves release, discharge, or waive the obligations of the Owner: (i) any modifications of the Contract, including material changes to the Contract, made by agreement of the Contractor and Owner; (ii) any alterations, modifications, supplements or changes, including material changes, of time, extensions of time, scope of Services, price, schedule of payments and payment terms (including the amount and timing of payments), to the Contract; (iii) any waivers by the Contractor or Owner of any

terms, provisions, conditions or obligations under the Contract; (iv) any assignment or the making of any assignment of the Contract as may be allowed under the Contract; (v) any waivers of any provisions of the Contract by the Contractor or Owner; (vi) any granting of indulgences or extensions of time by the Contractor to the Owner, including the making of any payment by the Contractor to the Owner in advance of or in excess of the amounts to which the Owner is otherwise entitled under the Contract; (vii) any failure by the Contractor to enforce any provision of the Contract against the Owner; and (viii) any other granting of extensions of time, renewals, indulgences, waivers, releases or discharges, or the making of any compromises or transactions or arrangements, by the Contractor in favour of the Owner (including in relation to any one or more provisions of the Contract, the performance bond, any financial or other security, any third party guarantees or any other assurances held by the Contractor). 6. NO MODIFICATION OR IMPAIRMENT 6.1 Neither the Guarantor's obligations under this Guarantee nor any right or remedy for the enforcement thereof shall be impaired, stayed, modified, changed or released in any manner whatsoever by any impairment, stay, modification, change, release or limitation of the Owner or any other person or its estate in bankruptcy resulting from the operation or effect of any provision of the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada), the Winding-Up Act (Canada) or other statute, code or laws of any jurisdiction relating to debtor relief, or from the decision of any court or authority interpreting any of the same, and the Guarantor shall be obligated under this Guarantee as if no such impairment, stay, modification, change, release or limitation had occurred. 7. REIMBURSEMENT FOR EXPENSES 7.1 The Guarantor covenants and agrees that it will promptly pay or reimburse the Contractor upon the Contractor's request for all reasonable expenses, disbursements and costs (including legal costs and disbursement at actual cost to the Contractor), made or incurred by the Contractor in enforcing its rights hereunder, if the Contractor prevails in such litigation. 8. LIMIT OF LIABILITY 8.1 The Guarantor shall not under any circumstances be liable under this Guarantee for sums greater than any applicable limits of liability provided for in the Contract in favour of the Owner. 8.2 Guarantor shall have the right to avail itself of all defences, indemnities and waivers, releases, limitations and exclusions of liability available to the Owner under the Contract. The foregoing, however, shall not give the Guarantor the right to assert any defences, indemnities and waivers, releases, limitations and exclusions of liability of the Owner against the Contractor that are no longer available to the Owner, including for the Owner's failure to comply with the requirements of the Contract for giving notices, and for providing documentation, within the time limits specified in the Contract. For greater clarity, and other than the right of the Contractor to claim under and enforce this Guarantee in accordance with its terms in any court of competent jurisdiction or arbitral tribunal having jurisdiction, the Contractor acknowledges that it shall not be entitled to more rights and remedies against the Guarantor than it would have had against the Owner under the Contract but for the circumstances described in Section 6.1. 9. REPRESENTATIONS AND WARRANTIES OF GUARANTOR 9.1 The Guarantor hereby represents and warrants to the Contractor that: (a) the Guarantor is a corporation duly incorporated, organized and subsisting under the applicable laws of Yukon Territory, Canada; (b) the Guarantor has good and sufficient power, authority and right to enter into and deliver this Guarantee and to perform its obligations hereunder; and (c) this Guarantee constitutes a valid and legally binding obligation of the Guarantor, and is enforceable against the Guarantor in accordance with its terms. 10. NOTICES 10.1 Any demand hereunder shall be signed by an authorized representative of the Contractor, and the demand shall be accompanied by a statement from the Contractor's Project Manager describing the general nature of the Owner Default. Any demand, notice or other communication will be given in writing and will be given by personal delivery, by registered mail or by electronic means of communication (including facsimile) addressed to the recipient as follows: To the Guarantor: Gold Reserve Inc. The Drury Building, 3081 Third Avenue, Whitehorse, Yukon, Canada Y1A 4Z7 Facsimile: (867) 668-3710 Attention:Gregory Fekete To the Contractor: SNC-LAVALIN ENGINEERS & CONSTRUCTORS INC. 2200 Lake Shore Boulevard West Toronto, Ontario, Canada M8V 1A4 Facsimile: (416) 231-5356 Attention: Senior Vice-President, Mining & Metallurgy AND SNC-LAVALIN GROUP INC. SNC-Lavin Group Inc. 455 Rene Levesque Boulevard West, Montreal, Quebec H2Z 1Z3 Facsimile: 1-415-866-5057 Attention: Vice President Legal or to such other address, individual or electronic communication number as may be designated by notice given by either party to the other. 10.2 Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth business day following the deposit thereof in the mail and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours on any day. If the party giving any demand, notice or other

communication knows or ought reasonably to know of any strike or lockout affecting the postal system that might affect the delivery of mail, any such demand, notice or other communication will be given by personal delivery or by electronic communication. 11. GOVERNING LAW AND ATTORNMENT TO JURISDICTION OF THE COURTS OF ONTARIO 11.1 This Guarantee shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. 11.2 The Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this Guarantee may be instituted in the courts of the Province of Ontario, and the Guarantor hereby irrevocably and unconditionally accepts, attorns and submits to the jurisdiction of the courts of the Province of Ontario in relation to this Guarantee, including but not limited to any actions to enforce this Guarantee. 12. ENTIRE AGREEMENT 12.1 This Guarantee constitutes the entire agreement of the Guarantor with the Contractor relating to the subject matter hereof and supersedes all prior contracts or agreements, whether oral or written. There are no representations, agreements, arrangements or undertakings, oral or written, between the Guarantor and the Contractor relating to the subject matter of this Guarantee which are not fully expressed herein. 13. AMENDMENT AND WAIVERS 13.1 No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by each of the Contractor and the Guarantor. No waiver of any breach by the Guarantor of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Contractor and, unless otherwise provided, will be limited to the specific breach waived 14. ADDITIONAL SECURITY 14.1 This Guarantee is in addition to and not in substitution for any other undertakings, securities and guarantees held or which may be held by or for the benefit of the Contractor, including without limitation any performance bonds, letters of credit, financial holdbacks under the Contract, and guarantees from any other parties. 15. TIME 15.1 The Guarantor shall promptly and with all due diligence perform its obligations under this Guarantee. 16. SUCCESSORS AND ASSIGNS 16.1 This Guarantee shall extend to and enure to the benefit of the Contractor and its successors and assigns. The Contractor may assign its interest herein to any permitted assign of the Contract and this Guarantee will enure to the benefit of such permitted assign. The Contractor shall give notice promptly to the Guarantor of any assignment in accordance with the foregoing. The Guarantor may not assign its obligations set forth herein. 17. SEVERABILITY 17.1 The invalidity or unenforceability of any portion or provision of this Guarantee shall in no way affect the validity or enforceability of any other portion or provision hereof. Any invalid or unenforceable portion or provision shall be deemed severed from this Guarantee and the balance of the Guarantee shall be construed and enforced as if the Guarantee did not contain such invalid or unenforceable portion or provision. If any such provision of this Guarantee is so declared invalid or unenforceable, the Guarantee shall automatically be deemed to be amended retroactively to include in substitution therefor a provision that is valid and enforceable that is consistent with the general intent of this Guarantee. 18. LEGAL ADVICE 18.1 The Guarantor hereby represents and confirms that it has obtained independent legal advice in respect of this Guarantee prior to the execution and delivery of this Guarantee to the Contractor. 19. LANGUAGE OF GUARANTEE 19.1 This Guarantee is drawn in English at the request of the parties hereto. La presente convention est redigee en anglais a la demande des parties. 20. EXECUTION BY AUTHORIZED REPRESENTATIVES 20.1 The Guarantor represents and warrants that this Guarantee is valid, binding on the Guarantor, and enforceable against the Guarantor in accordance with its terms. IN WITNESS WHEREOF, the Guarantor has executed this Guarantee under seal by its duly authorized representatives, and the Contractor has executed this Guarantee by its authorized representatives, effective as of the year and date first above written. THE CORPORATE SEAL of GOLD RESERVE INC. was hereunto affixed in the presence of: C/S s/A. Douglas Belanger Authorized Signatory FORM OF OFFICER'S CERTIFICATE TO ACCOMPANY PARENT COMPANY GUARANTEE I, the undersigned, hereby certify that I am the Vice-President and Chief Legal Officer of Gold Reserve Inc., a company organized and existing under the laws of Yukon Territory, Canada (the "Company"). I further certify that as of the date hereof: 1. The Company has been incorporated and is existing as a Corporation under the law of the Yukon Territory, Canada. 2. The execution and delivery of the Parent Company Guarantee dated April 12th, 2006 by the Company does not violate the laws of the Yukon Territory, Canada or the Company's deed of incorporation, memorandum, articles, by-laws or other constating documents. 3. The Company has taken all necessary corporate action to authorize its execution, delivery and performance of the Parent Company Guarantee. 4. The Parent Company Guarantee has been validly executed by the Company. 5. I know of no reason why the Parent Company Guarantee is not enforceable against the Company in accordance with its terms. IN WITNESS WHEREOF, I hereby subscribe my name on behalf of the Company on this 12th day of April 2006. Gold Reserve Inc. By: s/John N. Galbavy Name: John N. Galbavy Title: Vice-President & Chief Legal Officer