



# Prospectus

## Securities Note

for

### FRN Stolt-Nielsen Limited Senior Unsecured Open Bond Issue 2014/2021

Bermuda, 21 August 2014

Joint Lead Managers:



MARKETS



**Important information\***

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Norwegian FSA has controlled and approved the Securities Note pursuant to Section 7-7 of the Norwegian Securities Trading Act. The Norwegian FSA has not controlled and approved the accuracy or completeness of the information given in the Securities Note. The control and approval performed by the Norwegian FSA relates solely to descriptions included by the Company according to a pre-defined list of content requirements. The Norwegian FSA has not undertaken any form of control or approval of corporate matters described in or otherwise covered by the Securities Note.

New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Loan. Such information will be published as a supplement to the Securities Note pursuant to Section 7-15 of the Norwegian Securities Trading Act. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

Only the Borrower and the Joint Lead Managers are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Approval of the Securities Note by the Norwegian FSA implies that the Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Borrower and the Joint Lead Managers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The Securities Note together with the Registration Document dated 21 August 2014 constitutes the Prospectus.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

Contact the Borrower or the Joint Lead Managers to receive copies of the Securities Note.

**Factors which are material for the purpose of assessing the market risks associated with Bond:**

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and

be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

\*The capitalised words in the section "Important Information" are defined in Chapter 3: "Detailed information about the securities".

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## 1 Risk Factors

Investing in bonds issued by Stolt-Nielsen Limited involves inherent risks. Prospective investors should consider, among other things, the risk factors set out in the Prospectus, including those set out in the Registration Document, before making an investment decision. The risks and uncertainties described in the Prospectus, including those set out in the Registration Document, are risks of which Stolt-Nielsen Limited is aware and that Stolt-Nielsen Limited considers to be material to its business. If any of these risks were to occur, Stolt-Nielsen Limited's business, financial position, operating results or cash flows could be materially adversely affected, and Stolt-Nielsen Limited could be unable to pay interest, principal or other amounts on or in connection with the bonds. Prospective investors should also read the detailed information set out in the Registration Document dated 21 August 2014 and reach their own views prior to making any investment decision.

### **Risk related to the market in general**

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. There are four main risk factors that sum up the investors' total risk exposure when investing in interest bearing securities: liquidity risk, interest rate risk, settlement risk and market risk (both in general and issuer specific).

Liquidity risk is the risk that a party interested in trading bonds cannot do it because nobody in the market wants to trade the bonds. Missing demand for the bonds may result in a loss for the bondholder.

Interest rate risk is the risk that results from the variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the 7 year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

Settlement risk is the risk that the settlement of bonds does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the bonds.

Market risk, also called "systematic risk," is the negative impact in the value of the bonds caused by any type of major natural disaster, such as recessions, political turmoil, changes in interest rates, terrorist attacks, etc. The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuers business activities, the price of a bond may fall independent of this fact. Bond issues with a relatively short tenor and a floating rate coupon rate do however in general carry a lower price risk compared to bonds with a longer tenor and/or with a fixed coupon rate.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

### **Risk related to Bonds in general**

#### ***Modification and Waiver***

The conditions of the Bonds contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority.

The conditions of the Bonds also provide that the Bond Trustee may:

Except as provided for in Bond Agreement clause 17.1.5, reach decisions binding for all Bondholders concerning the Bond Agreement, including amendments to the Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not have a Material Adverse Effect on the rights or interests of the Bondholders pursuant to the Bond Agreement.

Except as provided for in the Bond Agreement clause 17.1.5, reach decisions binding for all Bondholders in circumstances other than those mentioned in the Bond Agreement clause 17.1.3 provided prior notification has been made to the Bondholders. The Bond Trustee may not reach a decision binding for all Bondholders

in the event that any Bondholder submits a written protest against the proposal within a deadline set forth in the Bondholder notification.

Not reach decisions pursuant to the Bond Agreement clauses 17.1.3 or 17.1.4 for matters set forth in the Bond Agreement clause 16.3.5 except to rectify obvious incorrectness, vagueness or incompleteness.

Not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

## **2 Persons Responsible**

### ***2.1 Persons responsible for the information***

Persons responsible for the information given in the Securities Note are:  
Stolt-Nielsen Limited, Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

### ***2.2 Declaration by persons responsible***

**Responsibility statement:**

Stolt-Nielsen Limited confirms, taken all reasonable care to ensure that such is the case, that the information contained in the prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Bermuda, 21 August 2014

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John Wakely  
Authorised Signatory

### 3 Detailed information about the securities

ISIN code:	NO 0010705551
The Loan/The Reference Name/The Bonds:	"FRN Stolt-Nielsen Limited Senior Unsecured Open Bond Issue 2014/2021".
Borrower/Issuer:	Stolt-Nielsen Limited, registered in the Bermuda Registrar of Companies with registration number EC 44330.
Group:	Means the Issuer and its Subsidiaries, and a “ <b>Group Company</b> ” means the Issuer or any of its Subsidiaries.
Security Type:	Bond issue with floating rate.
Borrowing Limit – Tap Issue:	NOK 1,500,000,000
Borrowing Amount/First Tranche:	NOK 1,250,000,000
Denomination – Each Bond:	NOK 1,000,000 - each and ranking pari passu among themselves
Securities Form:	The Bonds are electronic registered in book-entry form with the Securities Depository.
Disbursement/Settlement/Issue Date:	18 March 2014.
Interest Bearing From and Including:	Disbursement/Settlement/Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	18 March 2021.
Reference Rate:	NIBOR 3 months.
Margin:	3.35 % p.a.
Coupon Rate:	Reference Rate + Margin, equal to 5.18 % p.a. for the interest period ending on 18 September 2014.
Day Count Fraction - Coupon:	Act/360 – in arrears.
Business Day Convention:	If the relevant Interest Payment Date falls on a day that is not a Business Day, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day ( <i>Modified Following Business Day Convention</i> ).
Interest Rate Determination Date:	16 June 2014, and thereafter two Business Days prior to each Interest Payment Day.
Interest Rate Adjustment Date:	With effect from Interest Payment Date.
Interest Payment Date:	Each 18 March, 18 June, 18 September and 18 December in each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.  The first Interest Payment Date subsequent to the date of this Securities Note being 18 September 2014.
#Days first term:	92 days.
Issue Price:	100 % (par value).
Yield:	Dependent on the market price. On 19 August 2014 the yield is indicated to 5.04 % p.a.

Business Day:	Any day on which commercial banks are open for general business and can settle foreign currency transactions in Oslo, London and New York.
Put/Call options:	<p><i>Change of control</i></p> <p>Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a "Put Option") at a price of 100% of par plus accrued interest.</p> <p>The Put Option must be exercised within sixty (60) calendar days after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible after a Change of Control Event has taken place.</p> <p>The Put Option may be exercised by each Bondholder by giving written notice of the request to its account manager. The account manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be fifteen (15) Business Days following the date when the Paying Agent received the redemption request.</p> <p>On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond (including any premium pursuant to Bond Agreement clause 10.2.1) and any unpaid interest accrued up to (but not including) the settlement date.</p>
Outstanding Bonds:	Means the Bonds not redeemed or otherwise discharged.
Change of Control Event:	Means an event where (i) the Stolt-Nielsen family (including through the Stolt-Nielsen family's beneficial ownership of Fiducia Ltd.) ceases to maintain a beneficial ownership of minimum 33.4% of the Issuer or ceases to remain the largest shareholder of the Issuer (in number of shares or voting rights) or (ii) the Issuer ceases to be listed on Oslo Børs.
Amortisation:	The bonds will run without installments and be repaid in full at Maturity Date at par.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Status of the Loan:	<p>The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.</p> <p>The Bonds are unsecured.</p>
Undertakings:	<p>During the term of the Loan the Issuer shall comply with the covenants in accordance with the Bond agreement clause 13.2, 13.3, 13.4, 13.5 and 13.6, including but not limited to:</p> <p><b>1. General covenants</b></p> <p><b>(a) Pari passu ranking</b></p> <p>The Issuer shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all times rank at least pari passu as set out in Bond Agreement clause 8.1.</p> <p><b>(b) Mergers</b></p>

The Issuer shall not, and shall ensure that no Subsidiary shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any of its Subsidiaries with any other company/ies or entity/ies not being a member of the Group if such transaction would have a Material Adverse Effect. The Issuer shall notify the Bond Trustee of any such transaction, providing relevant details thereof, as well as, if applicable, its reasons for believing that the proposed transaction would not have a Material Adverse Effect.

**(c) De-mergers**

The Issuer shall not, and shall ensure that no Subsidiary shall, carry out any de-merger or other corporate reorganization involving the splitting of the Issuer or any of the Subsidiaries into two or more separate companies or entities, if such transaction would have a Material Adverse Effect. The Issuer shall notify the Bond Trustee of any such transaction, providing relevant details thereof, as well as, if applicable, its reasons for believing that the proposed transaction would not have a Material Adverse Effect.

**(d) Continuation of business**

Unless otherwise permitted by this Bond Agreement, the Issuer shall not, and shall ensure that no Material Subsidiary shall, cease to carry out its business.

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on at the date of this Bond Agreement, or as contemplated by this Bond Agreement.

**(e) Disposal of business**

The Issuer shall not, and shall procure that no Subsidiary shall, sell or otherwise dispose of all or a substantial part of the Group's assets, Subsidiaries or operations to any person not being a member of the Group, unless:

- (i) the transaction is carried out at fair market value, on terms and conditions customary for such transactions; and
- (ii) such transaction would not have a Material Adverse Effect.

**2. Corporate and operational matters**

**(a) Ownership to Material Subsidiaries**

The Issuer shall not sell, transfer, assign or otherwise dilute or dispose of any shares or any other ownership interest in any of the Material Subsidiaries to any person not being a member of the Group, unless the transaction is carried out at fair market value, on terms and conditions customary for such transaction and further provided that such transaction does not have a Material Adverse Effect.

**(b) Subsidiaries' distributions**

The Issuer shall not permit any Subsidiary to create or permit to exist any contractual obligation (or Security) restricting the right of any Subsidiary to pay dividends or make other distributions to its shareholders.

**(c) Corporate status**

The Issuer shall not, and shall ensure that no Material Subsidiary, change its type of organization or jurisdiction of organization.

**(d) Compliance with laws**

The Issuer shall, and shall ensure that all other Group Companies shall, carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time

(including any environmental laws and regulations).

**(e) Litigations**

The Issuer shall, promptly upon becoming aware of them, provide the Bond Trustee with relevant details of any:

- (i) material litigations, arbitrations or administrative proceedings which have been or might be started by or against any Group Company; and
- (ii) other events which have occurred or might occur and which may have a Material Adverse Effect, as the Bond Trustee may reasonably request.

**3. Special covenants**

**(a) Dividends and other distributions**

The Issuer shall not, during the term of the Bonds, declare or make any dividend payment or distribution, whether in cash or in kind, repurchase of shares or make other similar transactions (including, but not limited to, total return swaps related to shares in the Issuer), grant any loans or other distributions or transactions implying a transfer of value to its shareholders exceeding, in any financial year, fifty per cent (50%) of the Issuer's consolidated net profit after taxes based on the Financial Statements for the previous financial year. However, the Issuer shall always be allowed to, for each financial year, declare such distributions of USD 1 per share (based on the number of shares as of the Bond Agreement and to be adjusted for stock splits/share sub-divisions, mergers and/or new share issues). Any un-utilized portion of the permitted distribution may not be carried forward.

**(b) Financial Support restrictions**

No Group Company shall, directly or indirectly, make or grant any loans, grant any credit or give any guarantee or indemnity to or for the benefit of any person or group, or otherwise voluntarily assume any financial liability, whether actual or contingent, in respect of any other person or group not being a member of the Group, except for in the ordinary course of business or to a Non-Consolidated Company.

**(c) Arm's length transactions**

No member of the Group shall engage in, directly or indirectly, any transaction with any party not being a member of the Group or a Non-Consolidated Company (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except in the ordinary course of business and pursuant to the reasonable requirement of such member of the Group's business and upon fair and reasonable terms that are no less favorable to such member of the Group, as the case may be, than those which might be obtained in an arm's length transaction at the time.

**(d) Insurance**

The Issuer shall, and shall procure that each Subsidiary will, maintain with financially sound and reputable insurance companies, funds or underwriters adequate insurance or captive arrangements with respect to its properties and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice.

**4. Financial covenants**

- a) Consolidated Debt to Consolidated Tangible Net Worth ratio:

The Issuer, shall maintain a Consolidated Debt to Consolidated Tangible Net Worth ratio of maximum 2.00:1.00.

## b) Consolidated Tangible Net Worth:

The Issuer shall maintain a Consolidated Tangible Net Worth of not less than USD 600,000,000 (or the equivalent in any other currency).

## c) Consolidated EBITDA to Consolidated Interest Expense ratio:

The Issuer shall maintain a Consolidated EBITDA to Consolidated Interest Expense ratio equal to or greater than 2.00:1.00.

The Issuer undertakes to comply with the above financial covenants at all times, such compliance to be measured on the Accounting Dates and certified by the Issuer in accordance with Bond Agreement clause 13.2.3.

**Definitions:**

**Finance Document** means (i) the Bond Agreement, (ii) the agreement between the Bond Trustee and the Issuer referred to in Bond Agreement clause 14.2 and (iii) any other document (whether creating a Security or not) which is executed at any time by the Issuer or any other person in relation to any amount payable under the Bond Agreement.

**Security** means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**Subsidiary** means a company over which another company has Decisive Influence.

**Decisive Influence** means a person having, as a result of an agreement or through the ownership of shares or interests in another person:

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

When determining the relevant person's number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by the parent company of the relevant person and the parent company's Subsidiaries shall be included.

**Material Adverse Effect** means a material adverse effect on: (a) the Issuer's ability to perform and comply with its obligations under the Bond Agreement; or (b) the validity or enforceability of the Bond Agreement.

**Material Subsidiary** means:

- (i) any Subsidiary whose total consolidated gross assets represent at least five per cent (5%) of the total consolidated gross assets of the Group; or
- (ii) any Subsidiary whose total consolidated turnover represent at least five per cent (5%) of the total consolidated turnover of the Group,

always provided that the Issuer shall, when required pursuant to Bond Agreement clauses 6.1(f) and 13.2.1(e), nominate such Subsidiaries as Material Subsidiaries as are necessary to ensure that Subsidiaries not being a Material Subsidiary shall, in the aggregate, not account for more than twenty per cent (20%) of the consolidated gross assets or turnover of the Group (as the

case may be).

**Financial Statements** means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and a report from the Board of Directors.

**Non-Consolidated Company** means any present and future company in which the Issuer or any member of the Group holds a shareholding interest (as a joint venture or otherwise) and which is not consolidated for accounting purposes in accordance with IFRS, incorporated for the purpose of owning, developing and/or constructing any maritime operating vessel or any other operation which is substantially within the business as the Group is currently conducting.

**Cash** means, on any date, the Group's unrestricted, unpledged and freely available cash, including cash equivalents (save for as may be provided under any set-off rights for any party).

**Consolidated Debt** means for the Group (on a consolidated basis, without duplication and measured on a quarterly basis), at any time, the aggregate value of:

- a) monies borrowed, plus
- b) notes payable (whether promissory note or otherwise), plus
- c) amounts raised by acceptance under any acceptance credit facility, plus
- d) amounts raised pursuant to any note purchase facility or the issue of bonds, notes, debentures or similar instruments, plus
- e) the amount of any liability in respect of lease or hire purchase obligations which, according to IFRS (as it is in force on the date of this Bond Agreement), would be treated as finance or capital leases, plus
- f) all contingent liabilities, including guarantee obligations, related to debt and capital lease obligations of third parties which, according to IFRS, are considered probable and estimable, plus
- g) subordinated debt, less
- h) the amount of that part of any financial indebtedness for which there is a blocked or restricted Cash deposit which will repay such part of such financial indebtedness.

**Consolidated EBITDA** means, for the Group, on a consolidated basis, the aggregate value of:

- a) net income (or net loss);
- b) Consolidated Interest Expense;
- c) provisions for income taxes;
- d) depreciation, amortisation and other non-cash charges deducted in arriving at such net income (or net loss), at any time in accordance with IFRS;

for the most recent four fiscal quarters of the Issuer for which financial statements have been prepared, calculated on a pro

forma historical basis to include acquisitions.

**Consolidated Interest Expense** means, for the Group, on a consolidated basis, for the most recent four fiscal quarters of the Issuer for which financial statements have been prepared, interest expense (including the interest component of any capital lease obligations) on all Consolidated Debt, determined in accordance with IFRS.

**Consolidated Tangible Net Worth** means, for the Group, on a consolidated basis, at the end of the most recent quarter for which financial statements have been prepared, (a) the sum, to the extent shown on the Issuer's consolidated balance sheet, of (i) the amount of issued and outstanding share capital, less the cost of treasury shares of the Issuer, plus (ii) the amount of surplus and retained earnings, less (b) intangible assets as determined in accordance with IFRS.

See Bond Agreement clause 1.1 for further definitions.

Listing:

At Oslo Børs.

Listing will take place as soon as possible after the prospectus has been approved by the Norwegian FSA. The Norwegian FSA has not controlled and approved the accuracy or completeness of the information given in the Securities Note. The control and approval performed by the Norwegian FSA relates solely to descriptions included by the Company according to a pre-defined list of content requirements. The Norwegian FSA has not undertaken any form of control or approval of corporate matters described in or otherwise covered by the Securities Note.

Purpose:

The net proceeds of the Bonds shall be employed for general corporate purposes.

NIBOR:

The rate for an interest period will be the rate for deposits in Norwegian Kroner for a period as defined under Reference Rate which appears on the Oslo Børs' webpage at approximately 12.15 Oslo time, on the day that is two Business Days preceding that Interest Payment Date. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo.

Approvals:

The Bonds were issued in accordance with the approval of the Issuer's Board of Directors dated 10 March 2014.

The prospectus will be sent to the Norwegian FSA and Oslo Børs ASA for control in relation to a listing application of the bonds.

Bond Agreement:

The Bond Agreement has been entered into by the Borrower and the Bond Trustee. The Bond Agreement regulates the Bondholder's rights and obligations with respect to the bonds. The Bond Trustee enters into the Bond Agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement. When bonds are subscribed / purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement.

The Bond Agreement is attached as Annex 1 to this Securities Note and is also available through the Bond Trustee, the Joint Lead Managers or from the Borrower.

Bondholders' meeting:	<p>At the Bondholders' meeting each Bondholder has one vote for each bond he owns.</p> <p>In order to form a quorum, at least half (1/2) of the aggregate principal amount of the Voting Bonds must be represented at the Bondholders' meeting. See also clause 16.4 in the Bond agreement.</p> <p>Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, except as set forth below.</p> <p>In the following matters, approval of at least 2/3 of the votes is required:</p> <ul style="list-style-type: none"><li>a) amendment of the terms of the Bond Agreement regarding the interest rate, the tenor, redemption price and other terms and conditions directly affecting the cash flow of the bonds;</li><li>b) transfer of rights and obligations of the Bond Agreement to another issuer, or</li><li>c) change of Bond Trustee.</li></ul> <p>(For more details, see also Bond agreement clause 16)</p>
Availability of the Documentation:	<p><a href="https://www.dnb.no/bedrift/markets/dcm/emisjon/2014.html">https://www.dnb.no/bedrift/markets/dcm/emisjon/2014.html</a></p>
Bond Trustee:	<p>Norsk Tillitsmann ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.</p> <p>The Bond Trustee shall monitor the compliance by the Issuer of its obligations under the Bond agreement and applicable laws and regulations which are relevant to the terms of the Bond agreement, including supervision of timely and correct payment of principal or interest, inform the Bondholders, the Paying Agent and the Exchange of relevant information which is obtained and received in its capacity as Bond Trustee (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' meetings, and make the decisions and implement the measures resolved pursuant to the Bond agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set forth in the Bond agreement.</p> <p>(For more details, see also Bond agreement clause 17)</p>
Joint Lead Managers:	<p>DNB Markets, Dronning Eufemias gt. 30, N-0191 Oslo, Norway; Nordea Bank Norge ASA, P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway; Swedbank Norway, branch of Swedbank AB (publ), P.O.Box 1441 Vika, N-0115 Oslo, Norway;</p>
Paying Agent:	<p>DNB Bank ASA, Verdipapirservice, Dronning Eufemias gt. 30, N-0191 Oslo, Norway.</p> <p>The Paying Agent is in charge of keeping the records in the Securities Depository.</p>
Calculation Agent:	<p>The Bond Trustee.</p>
Securities Depository:	<p>The Securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2002 no. 64 regarding Securities depository.</p> <p>On Disbursement Date the Securities Depository is the Norwegian Central Securities Depository ("VPS"), P.O. Box 4, 0051 OSLO.</p>
Restrictions on the free transferability:	<p>Bondholders located in the United States will not be permitted to transfer the Bonds except (a) subject to an effective registration</p>

statement under the Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act in a transaction on the Oslo Børs, and (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available). The Bonds may not, subject to applicable Canadian laws, be traded in Canada for a period of four months and a day from the date the Bonds were originally issued.

**Market-Making:**

There is no market-making agreement entered into in connection with the Bond Issue.

**Reuters:**

Financial information electronically transmitted by the news agency Reuters Norge AS.

**Estimate of total expenses related to the admission to trading:**

Prospectus fee (NFSA) Registration Document NOK 50,000  
Prospectus fee (NFSA) Securities Note NOK 13,000  
Listing fee 2014 (Oslo Børs): NOK 25,185.75  
Registration fee (Oslo Børs): NOK 5,000  
Compulsory notification in a newspaper (estimated): NOK 7,000

**Legislation under which the Securities have been created:**

Norwegian law.

**Fees and Expenses:**

The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.

**Prospectus:**

The Registration Document dated 21 August 2014 and this Securities Note dated 21 August 2014.

## 4 Additional Information

The involved persons in the Issuer have no interest, nor conflicting interests that are material to the Bond Issue.

The Issuer has mandated DNB Bank ASA, Nordea Bank Norge ASA and Swedbank Norway as Joint Lead Managers for the issuance of the Loan. The Joint Lead Managers have acted as advisors to the Issuer in relation to the pricing of the Loan.

### **Statement from the Joint Lead Managers:**

DNB Bank ASA, Nordea Bank Norge ASA and Swedbank Norway have assisted the Borrower in preparing the prospectus. DNB Bank ASA, Nordea Bank Norge ASA and Swedbank Norway have not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made, and the Joint Lead Managers expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this prospectus or any other information supplied in connection with bonds issued by the Borrower or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Borrower. Each person receiving this prospectus acknowledges that such person has not relied on the Joint Lead Managers nor on any person affiliated with them in connection with its investigation of the accuracy of such information or its investment decision.

Oslo (Norway), 21 August 2014

DNB Bank ASA

Nordea Bank Norge ASA

Swedbank Norway, branch of  
Swedbank AB (publ)

### **Listing of the Loan:**

The Prospectus will be published in Norway. An application for listing at Oslo Børs will be sent as soon as possible after the Issue Date. Each bond is negotiable.

## **5 Appendix 1: Bond agreement**

**BOND AGREEMENT**

between

**Stolt-Nielsen Limited**  
(Issuer)

and

**Norsk Tillitsmann ASA**  
(Bond Trustee)

on behalf of

**the Bondholders**

in the bond issue

FNR Stolt-Nielsen Limited Senior Unsecured Open Bond Issue  
2014/2021

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This agreement has been entered into on 17 March 2014 between

- (1) **Stolt-Nielsen Limited** (a company incorporated under the laws of Bermuda with registration number EC44330 ) as issuer (the “**Issuer**”), and
- (2) **Norsk Tillitsmann ASA** (a company existing under the laws of Norway with registration number 963 342 624) as bond trustee (the “**Bond Trustee**”).

## 1 Interpretation

### 1.1 Definitions

In this Bond Agreement, the following terms shall have the following meanings:

“**Account Manager**” means a Bondholder’s account manager in the Securities Depository.

“**Accounting Dates**” means each 28 February (29 February, if leap year), 31 May, 31 August and 30 November in any financial year, where 30 November represents the end of the financial year.

“**Attachment**” means the attachments to this Bond Agreement.

“**Bond Agreement**” means this bond agreement, including any Attachments to it, each as amended from time to time.

“**Bond Issue**” means the bond issue constituted by the Bonds.

“**Bond Reference Rate**” means three (3) months NIBOR.

“**Bondholder**” means a holder of Bond(s), as registered in the Securities Depository, from time to time.

“**Bondholders’ Meeting**” means a meeting of Bondholders, as set out in Clause 16.

“**Bonds**” means the debt instruments issued by the Issuer pursuant to this Bond Agreement.

“**Business Day**” means any day on which commercial banks are open for general business and can settle foreign currency transactions in Oslo, London and New York.

“**Business Day Convention**” means that if the relevant Payment Date originally falls on a day that is not a Business Day, an adjustment of the Payment Date will be made so that the relevant Payment Date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day (*Modified Following Business Day Convention*).

“**Change of Control Event**” means an event where (i) the Stolt-Nielsen family (including through the Stolt-Nielsen family’s beneficial ownership of Fiducia Ltd.)

ceases to maintain a beneficial ownership of minimum 33.4% of the Issuer or ceases to remain the largest shareholder of the Issuer (in number of shares or voting rights) or (ii) the Issuer ceases to be listed on Oslo Børs.

“**Compliance Certificate**” means a certificate issued by the Issuer under this Agreement substantially in the form set out in Attachment 1.

“**Covenant Defeasance**” shall have the meaning given to it in Clause 18.2.

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person:

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

When determining the relevant person’s number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by the parent company of the relevant person and the parent company’s Subsidiaries shall be included.

“**Defeasance Pledge**” shall have the meaning given to it in Clause 18.2.

“**Event of Default**” means the occurrence of an event or circumstance specified in Clause 15.1.

“**Exchange**” means a securities exchange or other reputable regulated market, on which the Bonds are listed, or where the Issuer has applied for listing of the Bonds.

“**Face Value**” means the denomination of each of the Bonds, as set out in Clause 2.2.

“**Finance Documents**” means (i) this Bond Agreement, (ii) the agreement between the Bond Trustee and the Issuer referred to in Clause 14.2 and (iii) any other document (whether creating a Security or not) which is executed at any time by the Issuer or any other person in relation to any amount payable under this Bond Agreement.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;

- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any sale and lease-back transaction, or similar transaction which is treated as indebtedness under GAAP;
- (g) the acquisition cost of any asset to the extent payable after its acquisition or possession by the party liable, where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price, including, without limitation, currency or interest rate swaps, caps or collar transactions (and, when calculating the value of any such derivative transaction, only the mark to market value shall be taken into account);
- (i) any amounts raised under any other transactions (including any forward sale or purchase agreement) having the commercial effect of a borrowing or raising of money, whether recorded in the balance sheet or not (including any forward sale or purchase agreement);
- (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (k) (without double counting) the amount of any liability in respect of any guarantee, indemnity or similar assurance against financial loss of any person for any of the items referred to in paragraphs (a) to (j) above.

**“Financial Statements”** means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and a report from the Board of Directors.

**“GAAP”** means the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

**“Group”** means the Issuer and its Subsidiaries, and a **“Group Company”** means the Issuer or any of its Subsidiaries.

**“Interest Payment Date”** means 18 March, 18 June, 18 September and 18 December in each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.

**“Interim Accounts”** means the unaudited unconsolidated and consolidated management accounts of the Issuer as of each Accounting Date, such accounts to include a profit and loss account, balance sheet, cash flow statement and management commentary.

“**ISIN**” means International Securities Identification Number – the identification number of the Bond Issue.

“**Issue Date**” means 18 March 2014

“**Issuer’s Bonds**” means any Bonds owned by the Issuer, any person or persons who has Decisive Influence over the Issuer, or any person or persons over whom the Issuer has Decisive Influence.

“**Manager**” means the manager or managers for the Bond Issue.

“**Margin**” means three point thirty-five per cent. (3.35%) per annum.

“**Material Adverse Effect**” means a material adverse effect on: (a) the Issuer’s ability to perform and comply with its obligations under this Bond Agreement; or (b) the validity or enforceability of this Bond Agreement.

“**Material Subsidiary**” means:

- (i) any Subsidiary whose total consolidated gross assets represent at least five per cent (5%) of the total consolidated gross assets of the Group; or
- (ii) any Subsidiary whose total consolidated turnover represent at least five per cent (5%) of the total consolidated turnover of the Group,

always provided that the Issuer shall, when required pursuant to Clauses 6.1(f) and 13.2.1(e), nominate such Subsidiaries as Material Subsidiaries as are necessary to ensure that Subsidiaries not being a Material Subsidiary shall, in the aggregate, not account for more than twenty per cent (20%) of the consolidated gross assets or turnover of the Group (as the case may be).

“**Maturity Date**” means 18 March 2021. Any adjustment will be made according to the Business Day Convention.

“**NIBOR**” means the interest rate which (a) is published on Oslo Børs’ webpage (or through another system or on another web site replacing the said system or web site respectively) at approximately 12:15 p.m. (on days on which the Norwegian money market has shorter opening hours (New Year’s Eve and the Wednesday before Maundy Thursday), the data published by the banks at 10 a.m. shall be used), or, if such publication does not exist, (b) at that time corresponds to (i) the average of the quoted lending rates of Norwegian commercial banks on the interbank market in Oslo or, if only one or no such quotes are provided, (ii) the assessment of the Bond Trustee of the interest rate, which in the Bond Trustee’s determination is equal to what is offered by Norwegian commercial banks, for the applicable period in the Oslo interbank market. If such rate is below zero, NIBOR will be deemed to be zero.

“**NOK**” means Norwegian kroner, being the lawful currency of Norway.

“**Non-Consolidated Company**” means any present and future company in which the Issuer or any member of the Group holds a shareholding interest (as a joint venture or otherwise) and which is not consolidated for accounting purposes in accordance with IFRS, incorporated for the purpose of owning, developing and/or constructing

any maritime operating vessel or any other operation which is substantially within the business as the Group is currently conducting.

“**Outstanding Bonds**” means the Bonds not redeemed or otherwise discharged.

“**Party**” means a party to this Bond Agreement (including its successors and permitted transferees).

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent in the Securities Registry with respect to the Bonds.

“**Payment Date**” means a date for payment of principal or interest under this Bond Agreement.

“**Put Option**” shall have the meaning set forth in Clause 10.2.

“**Securities Depository**” means the securities depository in which the Bond Issue is registered, being Verdipapirsentralen ASA (VPS) in Norway.

“**Security**” means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Stamdata**” means the web site [www.stamdata.no](http://www.stamdata.no), maintained by the Bond Trustee.

“**Subsidiary**” means a company over which another company has Decisive Influence.

“**Tap Issue**” means subsequent issues made after the original Issue Date up to the maximum amount described in Clause 2.2.1.

“**US Securities Act**” means the U.S. Securities Act of 1933, as amended.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

## 1.2 *Construction*

In this Bond Agreement, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number shall include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of this Bond Agreement;
- (d) references to a time is a reference to Oslo time unless otherwise stated herein;
- (e) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings,

judgments and other binding decisions relating to such provision or regulation;

- (f) an Event of Default is “**continuing**” if it has not been remedied or waived; and
- (g) references to a “**person**” shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

## 2 The Bonds

### 2.1 *Binding nature of this Bond Agreement*

- 2.1.1 By virtue of being registered as a Bondholder (directly or indirectly) with the Securities Depository, the Bondholders are bound by the terms of this Bond Agreement and any other Finance Document, without any further action required to be taken or formalities to be complied with, see also Clause 18.1.
- 2.1.2 This Bond Agreement is available to anyone and may be obtained from the Bond Trustee or the Issuer. The Issuer shall ensure that this Bond Agreement is available to the general public throughout the entire term of the Bonds. This Bond Agreement may be published on Stamdata or such other venues as decided by the Bond Trustee.

### 2.2 *The Bonds*

- 2.2.1 The Issuer has resolved to issue a series of Bonds in the total aggregate amount of NOK 1,500,000,000 (Norwegian kroner one-billion-five-hundred million).

The Bond Issue may comprise one or more tranches issued on different issue dates. The first tranche will be in the amount of NOK 1,250,000,000 (Norwegian kroner one billion two hundred and fifty million).

The Bonds will be in denominations of NOK 1,000,000 each and the Bonds shall rank *pari passu* between themselves.

The Bond Issue will be described as “FRN Stolt-Nielsen Limited Senior Unsecured Open Bond Issue 2014/2021”.

The ISIN of the Bond Issue will be NO 001 070555.1.

The tenor of the Bonds is from and including the Issue Date to the Maturity Date.

- 2.2.2 The Bond Issue is a Tap Issue, under which subsequent issues may take place after the Issue Date up to the maximum amount described in Clause 2.2.1, running from the Issue Date and to be closed no later than five (5) Business Days prior to the Maturity Date.

All Tap Issues will be subject to identical terms in all respects. The rights and obligations of all parties to the Bond Agreement also apply for later Tap Issues. The

Bond Trustee will on the issuing of additional Tap Issues make an addendum to the Bond Agreement regulating the conditions for such Tap Issue.

### 2.3 *Purpose and utilization*

The net proceeds of the Bonds shall be employed for general corporate purposes.

## 3 **Listing**

3.1 The Issuer shall apply for listing of the Bonds on Oslo Børs.

3.2 If the Bonds are listed, the Issuer shall ensure that the Bonds remain listed until they have been discharged in full.

## 4 **Registration in the Securities Depository**

4.1 The Bond Issue and the Bonds shall prior to disbursement be registered in the Securities Depository according to the Norwegian Securities Depository Act (Act 2002/64) and the terms and conditions of the Securities Depository.

4.2 The Issuer shall ensure that correct registration in the Securities Depository is made and shall notify the Securities Depository of any changes in the terms and conditions of this Bond Agreement. The Bond Trustee shall receive a copy of the notification. The registration may be executed by the Paying Agent.

4.3 The Bonds have not been registered under the US Securities Act, and the Issuer is under no obligation to arrange for registration of the Bonds under the US Securities Act.

## 5 **Purchase and transfer of Bonds**

5.1 Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with applicable local laws and regulations at its own cost and expense.

In particular, the Bonds are not offered to and may not be subscribed by investors located in the United States except for “Qualified Institutional Buyers” (“**QIBs**”) within the meaning of Rule 144A under the United States Securities Act of 1933 (as amended) (the “**US Securities Act**”). In addition to the subscription agreement, each initial purchaser and each US Investor that wishes to purchase Bonds will be required to execute and deliver to the Issuer a certification, in a form determined by the Issuer, stating, among other things, that the purchaser is a QIB.

5.2 Bondholders located in the United States are not permitted to transfer the Bonds except (a) subject to an effective registration statement under the US Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S

under the US Securities Act and (d) pursuant to an exemption from registration under the US Securities Act provided by Rule 144A thereunder (if available).

- 5.3 Notwithstanding the above, a Bondholder which has purchased the Bonds in breach of applicable mandatory restrictions may nevertheless utilize its rights (including, but not limited to, voting rights) under this Bond Agreement.

## 6 **Conditions Precedent**

- 6.1 Disbursement of the net proceeds of the first tranche of the Bonds to the Issuer will be subject to the Bond Trustee having received the documents listed below, in form and substance satisfactory to it, at least two (2) Business Days prior to the Issue Date:
- (a) this Bond Agreement, duly executed by all parties thereto;
  - (b) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents;
  - (c) a power of attorney from the Issuer to relevant individuals for their execution of the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute the Finance Documents on behalf of the Issuer;
  - (d) certified copies of (i) the Certificate of Incorporation or other similar official document for the Issuer, evidencing that it is validly existing and (ii) the Memorandum of Association or Bye-Laws of the Issuer;
  - (e) the Issuer's latest Financial Statements and Interim Accounts (if any);
  - (f) a list of the Subsidiaries nominated as Material Subsidiaries from and including the Issue Date;
  - (g) confirmation from the Manager that the requirements set out in Chapter 7 of the Norwegian Securities Trading Act (implementing the EU prospectus directive (2003/71 EC) concerning prospectuses have been fulfilled;
  - (h) evidence that an exemption has been obtained from the prospectus requirements under Bermuda law and, to the extent necessary, any public authorisations required for the Bond Issue;
  - (i) confirmation from the Paying Agent that the Bonds have been registered in the Securities Depository;
  - (j) the Bond Trustee fee agreement set out in Clause 14.2, duly executed;
  - (k) copies of any written documentation used in the marketing of the Bonds or made public by the Issuer or the Manager in connection with the Bond Issue; and
  - (l) any statements or legal opinions reasonably required by the Bond Trustee (including any capacity corporate opinions for the Issuer and opinions

related to the validity, perfection and enforceability of the Finance Documents).

- 6.2 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set out in Clause 6.1.
- 6.3 Disbursement of the net proceeds of the first tranche of the Bonds is subject to the Bond Trustee's written notice to the Issuer, the Manager and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.
- 6.4 On the Issue Date, subject to receipt of confirmation from the Bond Trustee pursuant to Clause 6.3, the Manager shall make the net proceeds from the first tranche of the Bond Issue available to the Issuer
- 6.6 The Issuer may issue Tap Issues provided that (i) the amount of the aggregate of (a) the Outstanding Bonds prior to such Tap Issue and (b) the requested amount for such Tap Issue shall not exceed the maximum issue amount (ii) no Event of Default occurs or would occur as a result of the making of such Tap Issue, (iii) the documents earlier received by the Bond Trustee, c.f. Clause 6.1, are still valid, (iv) the representations and warranties contained in this Bond Agreement being true and correct and repeated by the Issuer, and (v) that such Tap Issue is in compliance with laws and regulations as of the time of such issue.

## 7 **Representations and Warranties**

- 7.1 The Issuer represents and warrants to the Bond Trustee that:

(a) *Status*

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

(b) *Power and authority*

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

(c) *Valid, binding and enforceable obligations*

This Bond Agreement and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

*(d) Non-conflict with other obligations*

The entry into and performance by it of this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its Memorandum of Association, Bye-Laws or other constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

*(e) No Event of Default*

- (i) No Event of Default exists or is likely to result from the making of any drawdown under this Bond Agreement or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (ii) No other event or circumstance is outstanding which constitutes (or with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or to which its assets are subject which has or is likely to have a Material Adverse Effect.

*(f) Authorizations and consents*

All authorisations, consents, resolutions, licenses, exemptions, filings, notarizations, registrations or approvals from any governmental authorities required:

- (i) to enable it to enter into, exercise its rights and comply with its obligations under this Bond Agreement or any other Finance Document to which it is a party; and
- (ii) to carry on its business as presently conducted and as contemplated by this Bond Agreement,

have been obtained or effected and are in full force and effect.

*(g) Litigation*

Except as set forth in the Financial Statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or is pending or, to the best of its knowledge, threatened which might reasonably be expected to have a Material Adverse Effect.

*(h) Financial Statements*

Its most recent Financial Statements and Interim Accounts fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with GAAP, consistently applied.

*(i) No undisclosed liabilities*

As of the date of the Financial Statements, unless disclosed by or reserved against in the Financial Statements or in the notes thereto, the Issuer had no material liabilities, direct or indirect, actual or contingent, and there were no material anticipated losses from any unfavourable commitments.

*(j) No Material Adverse Effect*

Since the date of the Financial Statements, there has been no change in business, assets or financial condition of the Issuer that is likely to have a Material Adverse Effect.

*(k) No misleading information*

Any documents and factual information which have been provided by it to the subscribers or the Bond Trustee for the purpose of this Bond Issue was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

*(l) Environmental compliance*

The Issuer and each Group Company is in compliance with any relevant applicable environmental law or regulation and no circumstances have occurred which would prevent such compliance in a manner which has or is likely to have a Material Adverse Effect.

*(m) Intellectual property*

The Group has undisputed, valid and good title to (a) its patents, trade marks, service marks, designs, business names, copyrights, design rights, inventions, confidential information and other intellectual property rights and interests (whether registered or unregistered), and (b) the benefit of all applications and rights to use such assets.

*(n) No withholdings*

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under this Bond Agreement.

*(o) Pari passu ranking*

Its payment obligations under this Bond Agreement or any other Finance Document to which it is a party rank at least *pari passu* as set out in Clause 8.1.

*(p) Security*

No Security exists over any of the present assets of any Group Company in conflict with this Bond Agreement.

7.2 The representations and warranties set out in Clause 7.1 are made on the execution date of this Bond Agreement, and shall be deemed to be repeated on the Issue Date.

## 8 **Status of the Bonds and security**

8.1 The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.

8.2 The Bonds are unsecured.

## 9 Interest

- 9.1 The Issuer shall pay interest on the par value of the Bonds from, and including, the Issue Date at the Bond Reference Rate plus the Margin (together the “**Floating Rate**”).
- 9.2 Interest payments shall be made in arrears on the Interest Payment Dates each year, the first Interest Payment Date falling on 18 June 2014.
- 9.3 The relevant interest payable amount shall be calculated based on a period from, and including, the Issue Date or one Interest Payment Date (as the case may be) to, but excluding, the next following applicable Interest Payment Date.
- 9.4 The day count fraction (“**Floating Rate Day Count Fraction**”) in respect of the calculation of the payable interest amount shall be “Actual/360”, which means that the number of days in the calculation period in which payment being made divided by 360.
- 9.5 The applicable Floating Rate on the Bonds is set/reset on each Interest Payment Date by the Bond Trustee commencing on the Interest Payment Date at the beginning of the relevant calculation period, based on the Bond Reference Rate two (2) Business Days preceding that Interest Payment Date.

When the interest rate is set for the first time and on subsequent interest rate resets, the next Interest Payment Date, the interest rate applicable up to the next Interest Payment Date and the actual number of calendar days up to that date shall immediately be notified to the Bondholders, the Issuer, the Paying Agent, and if the Bonds are listed, the Exchange.

- 9.6 The payable interest amount per Bond for a relevant calculation period shall be calculated as follows:

$$\text{Interest Amount} = \text{Face Value} \times \text{Floating Rate} \times \text{Floating Rate Day Count Fraction}$$

## 10 Maturity of the Bonds and Redemption

### 10.1 *Maturity*

The Bonds shall mature in full on the Maturity Date, and shall be repaid at par (100%) by the Issuer.

### 10.2 *Change of Control*

- 10.2.1 Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a “**Put Option**”) at a price of 100% of par plus accrued interest.
- 10.2.2 The Put Option must be exercised within sixty (60) calendar days after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such

notification shall be given as soon as possible after a Change of Control Event has taken place.

- 10.2.3 The Put Option may be exercised by each Bondholder by giving written notice of the request to its Account Manager. The Account Manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be fifteen (15) Business Days following the date when the Paying Agent received the redemption request.
- 10.2.4 On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond (including any premium pursuant to Clause 10.2.1) and any unpaid interest accrued up to (but not including) the settlement date.

## 11 **Payments**

### 11.1 *Covenant to pay*

- 11.1.1 The Issuer will on any Payment Date (or any other due date pursuant to any Finance Document) unconditionally pay to or to the order of the Bond Trustee all amounts due under this Bond Agreement or any other Finance Document.
- 11.1.2 The covenant contained in Clause 11.1.1 shall be for the benefit of the Bond Trustee and the Bondholders.

### 11.2 *Payment mechanics*

- 11.2.1 If no specific order is made by the Bond Trustee under Clause 11.1.1, the Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.
- 11.2.2 Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but if the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question, see however Clause 11.3.
- 11.2.3 In case of irregular payments, the Bond Trustee may instruct the Issuer or Bondholders of other payment mechanisms than described in Clause 11.2.1 or 11.2.2 above. The Bond Trustee may also obtain payment information regarding Bondholders' accounts from the Securities Depository or Account Managers.
- 11.2.4 Subject to Clause 11.3, payment by the Issuer in accordance with this Clause 11.2 shall constitute good discharge of its obligations under Clause 11.1.1.

### 11.3 *Currency*

- 11.3.1 If the Bonds are denominated in other currencies than NOK, each Bondholder has to provide the Paying Agent (either directly or through its Account Manager) with specific payment instructions, including foreign exchange bank account details. Depending on any currency exchange settlement agreements between each

Bondholder's bank and the Paying Agent, cash settlement may be delayed, and payment shall be deemed to have been made at the date of the cash settlement, provided however, that no default interest or other penalty shall accrue for the account of the Issuer.

- 11.3.2 Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency as the Bonds are denominated in. If, however, the Bondholder has not given instruction as set out in Clause 11.3.1 within five (5) Business Days prior to a Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder's account in the Securities Depository.
- 11.3.3 Amounts payable in respect of costs, expenses, taxes and other liabilities of a similar nature shall be payable in the currency in which they are incurred.

11.4 *Set-off and counterclaims*

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to this Bond Agreement or any other Finance Document.

11.5 *Interest in the event of late payment*

- 11.5.1 In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due date at an interest rate equivalent to the interest rate according to Clause 9 plus five per cent. (5.00%) per annum.
- 11.5.2 The interest charged under this Clause 11.5 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.
- 11.5.3 The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 15.1(a), cf. Clauses 15.2 - 15.4.

11.6 *Partial payments*

If the Bond Trustee or the Paying Agent receives a payment that is insufficient to discharge all the amounts then due and payable under the Finance Documents, that payment shall be applied in the following order:

- (a) first, in or towards payment of any unpaid fees, costs and expenses of the Bond Trustee under the Finance Documents;
- (b) secondly, in or towards payment of any accrued interest due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind; and

- (c) thirdly, in or towards payment of any principal due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind.

## 12 Issuer's acquisition of Bonds

The Issuer has the right to acquire and own Bonds (Issuer's Bonds). The Issuer's holding of Bonds may at the Issuer's discretion be retained by the Issuer, sold or discharged.

## 13 Covenants

### 13.1 *General*

- 13.1.1 The Issuer undertakes from the date of this Bond Agreement and until such time that no amounts are outstanding under this Bond Agreement or any other Finance Document, to the Bond Trustee, as further set out in this Clause 13

### 13.2 *Information Covenants*

#### 13.2.1 The Issuer shall:

- (a) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default as well as of any event or circumstances which the Issuer understands may lead to an Event of Default;
- (b) without being requested to do so, inform the Bond Trustee of any other event which may have a Material Adverse Effect;
- (c) without being requested to do so, inform the Bond Trustee in writing if the Issuer intends to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;
- (d) without being requested to do so, prepare Financial Statements and make them available on its web site and via the distribution system at Oslo Børs from the time of listing of the Bonds in the English language (alternatively by sending them to the Bond Trustee for publication at Stamdata) as soon as they become available, and not later than one hundred and twenty (120) days after the end of the financial year;
- (e) nominate such Subsidiaries as Material Subsidiaries as are necessary to ensure that Subsidiaries not being a Material Subsidiary, in the aggregate not account for more than twenty per cent. (20.00%) of the consolidated turnover, gross assets or net assets of the Group (as the case may be):
  - (i) without being requested to do so, annually and no later than one hundred and twenty (120) days after the end of the financial year, concurrently with delivery of the Compliance Certificate to be delivered in connection with the Financial Statements; and
  - (ii) at the request of the Bond Trustee, without undue delay;

- (f) without being requested to do so, prepare Interim Accounts and make them available on its web site and via the distribution system at Oslo Børs from the time of listing of the Bonds in the English language (alternatively by sending them to the Bond Trustee for publication on Stamdata) as soon as they become available, and not later than sixty (60) days after the end of the relevant quarter (as specified in the definition of “Accounting Dates”);
- (g) at the request of the Bond Trustee, report the balance of the Issuer’s Bonds;
- (h) without being requested to do so, send the Bond Trustee copies of any statutory or other general notifications of the Issuer to all its creditors, including (but not limited to) in connection with mergers, de-mergers and reduction of the Issuer’s share capital or equity;
- (i) if the Bonds are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange which are of relevance for the Issuer’s liabilities pursuant to this Bond Agreement;
- (j) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository; and
- (k) within a reasonable time, provide such information about the Issuer’s financial condition as the Bond Trustee may reasonably request.

13.2.2 The Issuer shall in connection with the publication of its financial reports under Clause 13.2.1(d) and 13.2.1(f), confirm to the Bond Trustee in writing the Issuer’s compliance with the covenants in this Clause 13, unless the Bond Trustee explicitly waives such requirement. Such confirmation shall be undertaken in a Compliance Certificate, signed by the Chief Executive Officer or the Chief Financial Officer of the Issuer. In the event of non-compliance, the Compliance Certificate shall describe the non-compliance, the reasons therefore as well as the steps which the Issuer has taken and/or will take in order to rectify such non-compliance.

### 13.3 *General Covenants*

#### (a) *Pari passu ranking*

The Issuer shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all times rank at least *pari passu* as set out in Clause 8.1.

#### (b) *Mergers*

The Issuer shall not, and shall ensure that no Subsidiary shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any of its Subsidiaries with any other company/ies or entity/ies not being a member of the Group if such transaction would have a Material Adverse Effect. The Issuer shall notify the Bond Trustee of any such transaction, providing relevant details thereof, as well as, if applicable, its reasons for believing that the proposed transaction would not have a Material Adverse Effect.

*(c) De-mergers*

The Issuer shall not, and shall ensure that no Subsidiary shall, carry out any de-merger or other corporate reorganization involving the splitting of the Issuer or any of the Subsidiaries into two or more separate companies or entities, if such transaction would have a Material Adverse Effect. The Issuer shall notify the Bond Trustee of any such transaction, providing relevant details thereof, as well as, if applicable, its reasons for believing that the proposed transaction would not have a Material Adverse Effect.

*(d) Continuation of business*

Unless otherwise permitted by this Bond Agreement, the Issuer shall not, and shall ensure that no Material Subsidiary shall, cease to carry out its business.

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on at the date of this Bond Agreement, or as contemplated by this Bond Agreement.

*(e) Disposal of business, assets, Subsidiaries or operations*

The Issuer shall not, and shall procure that no Subsidiary shall, sell or otherwise dispose of all or a substantial part of the Group's assets, Subsidiaries or operations to any person not being a member of the Group, unless:

- (i) the transaction is carried out at fair market value, on terms and conditions customary for such transactions; and
- (ii) such transaction would not have a Material Adverse Effect.

13.4 *Corporate and operational matters**(a) Ownership to Material Subsidiaries*

The Issuer shall not sell, transfer, assign or otherwise dilute or dispose of any shares or any other ownership interest in any of the Material Subsidiaries to any person not being a member of the Group, unless the transaction is carried out at fair market value, on terms and conditions customary for such transaction and further provided that such transaction does not have a Material Adverse Effect.

*(b) Subsidiaries' distributions*

The Issuer shall not permit any Subsidiary to create or permit to exist any contractual obligation (or Security) restricting the right of any Subsidiary to pay dividends or make other distributions to its shareholders.

*(c) Corporate status*

The Issuer shall not, and shall ensure that no Material Subsidiary, change its type of organization or jurisdiction of organization.

*(d) Compliance with laws*

The Issuer shall, and shall ensure that all other Group Companies shall, carry on its business in accordance with acknowledged, careful and sound practices in all

material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time (including any environmental laws and regulations).

*(e) Litigations*

The Issuer shall, promptly upon becoming aware of them, provide the Bond Trustee with relevant details of any:

- (i) material litigations, arbitrations or administrative proceedings which have been or might be started by or against any Group Company; and
- (ii) other events which have occurred or might occur and which may have a Material Adverse Effect, as the Bond Trustee may reasonably request.

13.5 *Special Covenants*

*(a) Dividends and other distributions*

The Issuer shall not, during the term of the Bonds, declare or make any dividend payment or distribution, whether in cash or in kind, repurchase of shares or make other similar transactions (including, but not limited to, total return swaps related to shares in the Issuer), grant any loans or other distributions or transactions implying a transfer of value to its shareholders exceeding, in any financial year, fifty per cent (50%) of the Issuer's consolidated net profit after taxes based on the Financial Statements for the previous financial year. However, the Issuer shall always be allowed to, for each financial year, declare such distributions of USD 1 per share (based on the number of shares as of the Bond Agreement and to be adjusted for stock splits/share sub-divisions, mergers and/or new share issues). Any un-utilized portion of the permitted distribution may not be carried forward.

*(b) Financial Support restrictions*

No Group Company shall, directly or indirectly, make or grant any loans, grant any credit or give any guarantee or indemnity to or for the benefit of any person or group, or otherwise voluntarily assume any financial liability, whether actual or contingent, in respect of any other person or group not being a member of the Group, except for in the ordinary course of business or to a Non-Consolidated Company.

*(c) Arm's length transactions*

No member of the Group shall engage in, directly or indirectly, any transaction with any party not being a member of the Group or a Non-Consolidated Company (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except in the ordinary course of business and pursuant to the reasonable requirement of such member of the Group's business and upon fair and reasonable terms that are no less favorable to such member of the Group, as the case may be, than those which might be obtained in an arm's length transaction at the time.

*(d) Insurance*

The Issuer shall, and shall procure that each Subsidiary will, maintain with financially sound and reputable insurance companies, funds or underwriters adequate insurance or captive arrangements with respect to its properties and business against

such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice.

### 13.6 *Financial Covenants*

- a) Consolidated Debt to Consolidated Tangible Net Worth ratio:

The Issuer, shall maintain a Consolidated Debt to Consolidated Tangible Net Worth ratio of maximum 2.00:1.00.

- b) Consolidated Tangible Net Worth:

The Issuer shall maintain a Consolidated Tangible Net Worth of not less than USD 600,000,000 (or the equivalent in any other currency).

- c) Consolidated EBITDA to Consolidated Interest Expense ratio:

The Issuer shall maintain a Consolidated EBITDA to Consolidated Interest Expense ratio equal to or greater than 2.00:1.00.

The Issuer undertakes to comply with the above financial covenants at all times, such compliance to be measured on the Accounting Dates and certified by the Issuer in accordance with Clause 13.2.3.

Definitions used in this Clause 13.6:

“**Cash**” means, on any date, the Group’s unrestricted, unpledged and freely available cash, including cash equivalents (save for as may be provide under any set-off rights for any party).

“**Consolidated Debt**” means for the Group (on a consolidated basis, without duplication and measured on a quarterly basis), at any time, the aggregate value of:

- a) monies borrowed, **plus**
- b) notes payable (whether promissory note or otherwise), **plus**
- c) amounts raised by acceptance under any acceptance credit facility, **plus**
- d) amounts raised pursuant to any note purchase facility or the issue of bonds, notes, debentures or similar instruments, **plus**
- e) the amount of any liability in respect of lease or hire purchase obligations which, according to IFRS (as it is in force on the date of this Bond Agreement), would be treated as finance or capital leases, **plus**
- f) all contingent liabilities, including guarantee obligations, related to debt and capital lease obligations of third parties which, according to IFRS, are considered probable and estimable, **plus**

- g) subordinated debt, **less**
- h) the amount of that part of any financial indebtedness for which there is a blocked or restricted Cash deposit which will repay such part of such financial indebtedness.

“**Consolidated EBITDA**” means, for the Group, on a consolidated basis, the aggregate value of:

- a) net income (or net loss);
- b) Consolidated Interest Expense;
- c) provisions for income taxes;
- d) depreciation, amortisation and other non-cash charges deducted in arriving at such net income (or net loss), at any time in accordance with IFRS;

for the most recent four fiscal quarters of the Issuer for which financial statements have been prepared, calculated on a pro forma historical basis to include acquisitions.

“**Consolidated Interest Expense**” means, for the Group, on a consolidated basis, for the most recent four fiscal quarters of the Issuer for which financial statements have been prepared, interest expense (including the interest component of any capital lease obligations) on all Consolidated Debt, determined in accordance with IFRS.

“**Consolidated Tangible Net Worth**” means, for the Group, on a consolidated basis, at the end of the most recent quarter for which financial statements have been prepared, (a) the sum, to the extent shown on the Issuer’s consolidated balance sheet, of (i) the amount of issued and outstanding share capital, less the cost of treasury shares of the Issuer, plus (ii) the amount of surplus and retained earnings, less (b) intangible assets as determined in accordance with IFRS.

## 14 Fees and expenses

- 14.1 The Issuer shall cover all costs and expenses incurred by it or the Bond Trustee in connection with this Bond Agreement and the fulfilment of its obligations under this Bond Agreement or any other Finance Document, including in connection with the negotiation, preparation, execution and enforcement of this Bond Agreement and the other Finance Documents and any registration or notifications relating thereto, the listing of the Bonds on an Exchange (if applicable), and the registration and administration of the Bonds in the Securities Depository. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person to set-off and cover any such costs and expenses.
- 14.2 The fees, costs and expenses payable to the Bond Trustee shall be paid by the Issuer and are set out in a separate agreement between the Issuer and the Bond Trustee.

- 14.3 Fees, costs and expenses payable to the Bond Trustee which, due to the Issuer's insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection with the restructuring or default of the Bond Issue.
- 14.4 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.
- 14.5 The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to the Bondholders.
- 14.6 If the Issuer is required by law to withhold any withholding tax from any payment under any Finance Document:
- (a) the amount of the payment due from the Issuer shall be increased to such amount which is necessary to ensure that the Bondholders receive a net amount which is (after making the required withholding) equal to the payment which would have been due if no withholding had been required; and
  - (b) the Issuer shall at the request of the Bond Trustee deliver to the Bond Trustee evidence that the required tax reduction or withholding has been made.
- 14.7 If any withholding tax is imposed due to subsequent changes in applicable law after the date of this Bond Agreement, the Issuer shall have the right to call all but not some of the Bonds at par value plus accrued interest. Such call shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least thirty (30) Business Days prior to the settlement date of the call.

## 15 **Events of Default**

- 15.1 The Bond Trustee may declare the Bonds to be in default upon occurrence of any of the following events:

(a) *Non-payment*

The Issuer fails to fulfil any payment obligation due under this Bond Agreement or any other Finance Document when due, unless (in the opinion of the Bond Trustee) it is likely that such payment will be made in full within five (5) Business Days following the original due date.

(b) *Breach of other obligations*

The Issuer does not comply with any provision pursuant to this Bond Agreement or any of the other Finance Documents, unless (in the opinion of the Bond Trustee) such failure is capable of being remedied and is remedied within ten (10) Business Days after notice thereof is given to the Issuer by the Bond Trustee.

*(c) Cross default*

If for the Issuer and any Material Subsidiary:

- (i) any of its Financial Indebtedness is not paid when due nor within any originally applicable grace period;
- (ii) any of its Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
- (iii) any commitment for any of its Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (iv) any of its creditors becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above of a total of USD 7,500,000, or the equivalent thereof in other currencies, shall apply.

*(d) Misrepresentations*

Any representation, warranty or statement (including statements in any Compliance Certificate) made or deemed to be made by the Issuer in the Finance Documents or any other document delivered by or on behalf of the Issuer under or in connection with any Finance Document is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within ten (10) Business Days after notice of the misrepresentation is given to the Issuer by the Bond Trustee.

*(e) Insolvency proceedings and dissolution*

Any corporate legal action, legal proceedings or other procedure or step is taken in relation to:

- (i) the general suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer or any Material Subsidiary other than as a solvent liquidation or reorganization;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer or any Material Subsidiary, having a material adverse effect on the Issuer's ability to perform its payment obligations hereunder;
- (iii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer or any Material Subsidiary or of any of its or their assets; or

a resolution is resolved, or a liquidator, administrator or the like is appointed or requested to be appointed, in order for the Issuer or any Material Subsidiary to be dissolved.

(f) *Creditors' process*

A substantial proportion of the assets of the Issuer or any Material Subsidiary impounded, confiscated, attached or subject to distraint, or any of its or their assets is subject to enforcement proceedings of any Security.

(g) *Litigation*

There is current, pending or threatened any litigation, arbitration or administrative proceedings (other than from frivolous or vexatious claims) against the Issuer or any Group Company which, in the reasonable opinion of the Bond Trustee and after consultation with the Issuer, is likely to have a Material Adverse Effect.

(h) *Impossibility or illegality*

It is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the terms of any Finance Document to which it is a party.

(i) *Material adverse change*

Any other event or circumstance occurs which, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, would have a Material Adverse Effect.

- 15.2 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee can, in order to protect the interests of the Bondholders, declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment.

The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document.

- 15.3 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee shall declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment if:

- (a) the Bond Trustee receives a demand in writing that a default shall be declared from Bondholders representing at least one fifth (1/5) of the Voting Bonds, and the Bondholders' Meeting has not decided on other solutions; or
- (b) the Bondholders' Meeting has with simple majority decided to declare the Outstanding Bonds in default and due for payment.

In either case the Bond Trustee shall take every measure necessary to recover the amounts due under the Outstanding Bonds.

- 15.4 In the event that the Bond Trustee pursuant to the terms of Clauses 15.2 or 15.3 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of

interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses.

## 16 **Bondholders' Meeting**

### 16.1 *Authority of the Bondholders' Meeting*

16.1.1 The Bondholders' Meeting represents the supreme authority of the Bondholders community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

16.1.2 The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a *pro rata* reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

16.1.3 If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders' Meeting, see however Clause 17.1. Resolutions passed at Bondholders' Meetings shall be binding upon all Bondholders and prevail for all the Bonds.

### 16.2 *Procedural rules for Bondholders' meetings*

16.2.1 A Bondholders' Meeting shall be held at the written request of:

- (a) the Issuer;
- (b) Bondholders representing at least one tenth (1/10) of the Voting Bonds;
- (c) the Exchange, if the Bonds are listed; or
- (d) the Bond Trustee.

16.2.2 The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.

16.2.3 If the Bond Trustee has not summoned a Bondholders' Meeting within ten (10) Business Days after having received a valid request, then the requesting party may summons the Bondholders' Meeting itself.

16.2.4 The summons to a Bondholders' Meeting shall be dispatched no later than ten (10) Business Days prior to the date of the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders registered in the Securities Depository at the time of distribution. The Exchange shall also be informed of the summons if the Bonds are listed.

16.2.5 The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those

requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.

- 16.2.6 The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting, by serving notice to it to such effect.
- 16.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.
- 16.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.
- 16.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the numbers of Bondholders and Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 16.2.10 The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- 16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present during the voting.

### 16.3 *Resolutions passed at Bondholders' Meetings*

- 16.3.1 At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Depository. The Bond Trustee may, at its sole discretion, accept other evidence of ownership. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as the Issuer's Bonds. The Issuer's Bonds shall not have any voting rights.

For this purpose, a Bondholder that has a Bond that is nominee registered shall be deemed as the Bondholder of such Bond (instead of the nominee) provided that the Bondholder presents relevant evidence stating that the relevant Bondholder is the Bondholder of the Bond and the amount of Bonds held by such Bondholder.

- 16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 16.3.3 In order to form a quorum, at least one half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than one half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- 16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in Clause 16.3.5.
- 16.3.5 A majority of at least two thirds (2/3) of the Voting Bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of this Bond Agreement.
- 16.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.
- 16.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.
- 16.4 *Repeated Bondholders' meeting*
- 16.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.
- 16.4.2 A valid resolution may be passed at a repeated Bondholders' meeting even though less than one half (1/2) of the Voting Bonds are represented.

## 17 **The Bond Trustee**

- 17.1 *The role and authority of the Bond Trustee*
- 17.1.1 The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set out in this Bond Agreement.

- 17.1.2 The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders' Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.
- 17.1.3 The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.
- 17.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 17.1.3, provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five (5) Business Days following the dispatch of such notification.
- 17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.
- 17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 17.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.
- 17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.
- 17.1.9 The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.
- 17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.
- 17.2 *Liability and indemnity*
- 17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not

liable for the content of information provided to the Bondholders on behalf of the Issuer.

17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.

17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.3(a) or 16.2.1 (b), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.

### 17.3 *Change of Bond Trustee*

17.3.1 Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 16. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.

17.3.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 14, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

17.3.3 The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set out under the terms of this Bond Agreement.

## 18 **Miscellaneous**

### 18.1 *The community of Bondholders*

By virtue of holding Bonds, which are governed by this Bond Agreement (which pursuant to Clause 2.1.1 is binding upon all Bondholders), a community exists between the Bondholders, implying, *inter alia*, that:

- (a) the Bondholders are bound by the terms of this Bond Agreement;
- (b) the Bond Trustee has power and authority to act on behalf of and/or represent the Bondholders, in all matters, including (but not limited to) taking any legal or other action, including enforcement of the Bond Issue

and/or any Security, opening of bankruptcy or other insolvency proceedings;

- (c) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and
- (d) this Bond Agreement establishes a community between Bondholders meaning that:
  - (i) the Bonds rank *pari passu* between each other;
  - (ii) the Bondholders may not, based on this Bond Agreement, act directly towards the Issuer and may not themselves institute legal proceedings against the Issuer, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;
  - (iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;
  - (iv) the Bondholders may not cancel the Bondholders' community; and
  - (v) an individual Bondholder may not resign from the Bondholders' community.

## 18.2 *Defeasance*

18.2.1 The Issuer may, at its option and at any time, elect to have certain obligations discharged (see Clause 18.2.2) upon complying with the following conditions (“**Covenant Defeasance**”):

- (a) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee (the “**Defeasance Pledge**”) in such amounts as will be sufficient for the payment of principal and interest on the Outstanding Bonds to Maturity Date or any other amount agreed between the Parties;
- (b) no Event of Default shall have occurred and be continuing on the date of establishment of the Defeasance Pledge, or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time during any hardening period applicable to the Defeasance Pledge (or the relevant period for non-Norwegian companies) or any other date agreed between the Parties;
- (c) the Issuer shall have delivered to the Bond Trustee a certificate signed by its Chief Executive Officer that the Defeasance Pledge was not made by the Issuer with the intent of preferring the Bondholders over any other creditors

of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and

- (d) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Covenant Defeasance or Defeasance Pledge, including any certificate or legal opinion on (i) the compliance of the conditions of the Covenant Defeasance, (ii) that the Defeasance Pledge constitutes a valid, perfected and enforceable Security in favour of the Bond Trustee for the benefit of the Bondholders which will not be subject to any rights of creditors of the Issuer or any bankruptcy, insolvency, reorganization or similar laws affecting creditors rights generally under the laws of the jurisdiction where the Defeasance Pledge was established and the jurisdiction of incorporation of the Issuer, (iii) any relevant tax issues concerning the Bondholders, (iv) any valuation of any assets or (vii) any other certificate or opinion regarding the Covenant Defeasance or the Defeasance Pledge.

18.2.2 Upon the exercise by the Issuer of its option under Clause 18.2.1:

- (a) the Issuer shall be released from its obligations under all provisions in Clause 13, except Clauses 13.2.1(a), (g), (j) and (k), or as otherwise agreed;
- (b) the Issuer shall not (and shall ensure that no Group Companies shall) take any actions that may cause the value of the Security created by this Covenant Defeasance to be reduced, and shall at the request of the Bond Trustee execute, or cause to be executed, such further documentation and perform such other acts as the Bond Trustee may reasonably require in order for the Security to remain valid, enforceable and perfected by the Bond Trustee for the account of the Bondholders;
- (c) any Security other than the Defeasance Pledge shall be discharged, and the Bond Trustee shall take all steps reasonably possible for it to cause such discharge to be effected, by way of deletion of the relevant security document from the relevant register, notice to third parties or as otherwise required, or as otherwise agreed; and
- (d) all other provisions of this Bond Agreement (except (a) – (c) above) shall remain fully in force without any modifications, or as otherwise agreed.

18.2.3 All amounts owed by the Issuer hereunder covered by the Defeasance Pledge shall be applied by the Bond Trustee, in accordance with the provisions of this Bond Agreement, against payment to the Bondholders of all sums due to them under this Bond Agreement on the due date thereof.

Any excess funds not required for the payment of principal, premium and interest to the Bondholders (including any expenses, fees etc. due to the Bond Trustee hereunder) shall be returned to the Issuer.

18.3 *Limitation of claims*

All claims under the Bonds and this Bond Agreement for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of May 18, 1979 No. 18.

#### 18.4 *Access to information*

- 18.4.1 This Bond Agreement is available to anyone and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee shall not have any obligation to distribute any other information to the Bondholders or others than explicitly stated in this Bond Agreement. The Issuer shall ensure that a copy of this Bond Agreement is available to the general public until all the Bonds have been fully discharged.
- 18.4.2 The Bond Trustee shall, in order to carry out its functions and obligations under this Bond Agreement, have access to the Securities Depository for the purposes of reviewing ownership of the Bonds registered in the Securities Depository.
- 18.4.3 Upon the request from a Bondholder, the Bond Trustee shall share with that Bondholder the names of the Subsidiaries most recently nominated as Material Subsidiaries by the Issuer. By submitting its request, the Bondholder shall deliver such documentation evidencing its ownership of Bonds as the Bond Trustee may request.

#### 18.5 *Amendments*

All amendments of this Bond Agreement shall be made in writing, and shall unless otherwise provided for by this Bond Agreement, only be made with the approval of all parties hereto.

#### 18.6 *Notices, contact information*

- 18.6.1 Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published on Stamdata only. Any such notice or communication shall be deemed to be given or made as follows:
- (a) if by letter via the Securities Depository, when sent from the Securities Depository; and
  - (b) if by publication on Stamdata, when publicly available.
- 18.6.2 The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.
- 18.6.3 Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and the Issuer shall be given or made in writing, by letter, e-mail or fax. Any such notice or communication shall be deemed to be given or made as follows:
- (a) if by letter, when delivered at the address of the relevant Party;
  - (b) if by e-mail, when received; and

- (c) if by fax, when received.
- 18.6.4 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- 18.6.5 When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):
- (a) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.
  - (b) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.
  - (c) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.
- 18.7 *Dispute resolution and legal venue*
- 18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall be governed by Norwegian law.
- 18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall, subject to Clause 18.7.3 below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.
- 18.7.3 This Clause 18.7 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

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This Bond Agreement has been executed in two originals, of which the Issuer and the Bond Trustee retain one each.

**Issuer**

**Bond Trustee**

.....  
By:  
Position:

.....  
By:  
Position:

**Attachment 1**

**COMPLIANCE CERTIFICATE**

Norsk Tillitsmann ASA  
P.O. Box 1470 Vika  
N-0116 Oslo  
Norway

Fax: + 47 22 87 94 10  
E-mail: mail@trustee.no

[date]

Dear Sirs,

**STOLT-NIELSEN LIMITED – BOND AGREEMENT Y1/Y2 - ISIN 001 070555.1**

We refer to the Bond Agreement for the abovementioned Bond Issue made between Norsk Tillitsmann ASA as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer under which a Compliance Certificate shall be issued. This letter constitutes the Compliance Certificate for the period [PERIOD].

Capitalised terms used herein shall have the same meaning as in this Bond Agreement.

With reference to Clause 13.2.2 of the Bond Agreement, we hereby certify that:

1. all information contained herein is true and accurate;
2. the covenants set out in Clause 13 are satisfied, and, in particular, the financial covenants are satisfied as follows:
  - (a) in accordance with Clause 13.5 a), the Consolidated Debt to Consolidated Tangible Net Worth ratio is XX;
  - (b) in accordance with Clause 13.5 b), the Consolidated Tangible Net Worth is XX; and
  - (c) in accordance with Clause 13.5 c), the Consolidated EBITDA to Consolidated Interest Expense ratio is XX.

Copies of our latest consolidated [Financial Statements] / [Interim Accounts] are available on our web site in accordance with Clause 13.2.1 of the Bond Agreement.

Yours faithfully,  
STOLT-NIELSEN LIMITED

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*Name of authorized person*

Enclosure: *[copy of any written documentation]*