



# OCEAN YIELD

## Prospectus

### Securities Note

for

**ISIN: NO 001 0861594 FRN Ocean Yield ASA  
Perpetual Hybrid Callable Bond Issue 2019**

Oslo, 5 November 2019

Joint Lead Managers:



Nordea

Pareto Securities

SEB

**Important information\***

The Securities Note has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer that is the subject of this 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 Regulation (EU) 2017/1129. 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.

**MiFID II product governance / Retail investors, professional investors and ECPs target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is eligible counterparties, professional clients and retail clients each as defined in Directive 2014/65/EU (as amended, "MiFID II"); (ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the notes to retail clients are appropriate – investment advice, portfolio management, non-advised sales and pure execution services – subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

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 included the Summary dated 5 November 2019 together with the Registration Document dated 5 November 2019 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, 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

- (v) 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 4: "Detailed information about the securities".

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## 1 Summary

Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

### A Introduction and warning

Disclosure requirement	Disclosure
Warning.	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
Name and international securities identification number ('ISIN') of the securities.	ISIN: NO0010861594 FRN Ocean Yield ASA Perpetual Hybrid Callable Bond Issue 2019.
Identity and contact details of the issuer, including its legal entity identifier ('LEI').	Ocean Yield ASA, Oksenøyveien 10, 1366 Lysaker. Postal address: P.O. Box 513, 1327 Lysaker, Norway. Telephone number is +47 24 13 00 00. Registration number 991 844 562 and LEI-code (legal entity identifier): 5967007LIEEXZXGLT422.
Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market.	Not applicable. There are no offeror, the prospectus has been produced in connection with listing of the securities on the Oslo Børs. The Issuer is going to ask for admission to trading on a regulated market.
Identity and contact details of the competent authority that approved the prospectus	Financial Supervisory Authority of Norway (Finanstilsynet), Revierstredet 3, 0151 Oslo. Telephone number is +47 22 83 39 50. E-mail: <a href="mailto:prospekter@finansstilsynet.no">prospekter@finansstilsynet.no</a> .
Date of approval of the prospectus.	The Prospectus was approved on 5 November 2019.

### B Key information on the Issuer

Disclosure requirement	Disclosure
<i>Who is the issuer of the securities</i>	
Domicile and legal form	The Issuer is a public limited liability company primarily incorporated in Norway and organized under the laws of Norway, including the Public Limited Companies Act. Pursuant to the listing agreement between the Oslo Stock Exchange and the Company, in particular, the Norwegian Securities Trading Act and the Norwegian Stock Exchange Regulations will apply. LEI-code (legal entity identifier): 5967007LIEEXZXGLT422.
Principal activities	<p>Ocean Yield ASA is a ship owning company with investments in vessels on long-term charters to a diversified portfolio of counterparties. The company was established in 2012 with a portfolio of three oil-service assets previously controlled by Aker ASA. Since then, the Company has committed close to USD 3.4 billion to new investments in shipping and oil-service vessels and built up a broad and diversified portfolio of assets with long-term charters. Ocean Yield is listed on the Oslo Stock Exchange and has a broad shareholder base, with Aker Capital AS, a subsidiary of Aker ASA as the majority shareholder.</p> <p>The Company currently has investments in a number of shipping segments, including car carriers, chemical tankers, product tankers, container vessels, crude tankers, dry bulk, oil-service and gas carriers. The total fleet counts 62 vessels, including one handysize vessel scheduled for delivery in Q3 2019 and one Newcastlemax dry bulk vessel scheduled for delivery in Q1 2020. 58 of the vessels are trading on long-term bareboat charters while four vessels are trading on shorter-term charters. The Company has an EBITDA charter backlog of USD 3.3 billion with average remaining contract duration of 10.9 years (weighted by EBITDA). The Company's business strategy is to enter into long-term charters which gives visibility with respect to future earnings</p>

	<p>and dividend capacity for the shareholders. The Company has mainly focused on bareboat charters with duration from ten to fifteen years, but may also consider time-charter contracts.</p> <p>The Company intends to continue to grow and diversify its portfolio of vessels on long-term charters with the aim to continue to pay attractive quarterly dividends to its shareholders.</p>																																																																																				
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	<table border="1"> <thead> <tr> <th>#</th> <th>Shares</th> <th>%</th> <th>Investor</th> </tr> </thead> <tbody> <tr><td>1</td><td>98,242,575</td><td>61.65</td><td>AKER CAPITAL AS</td></tr> <tr><td>2</td><td>3,076,460</td><td>1.93</td><td>JPMorgan Chase Bank, N.A., London</td></tr> <tr><td>3</td><td>2,577,863</td><td>1.62</td><td>Norron Sicav - Active</td></tr> <tr><td>4</td><td>2,549,111</td><td>1.6</td><td>Norron Sicav - Target</td></tr> <tr><td>5</td><td>2,116,225</td><td>1.33</td><td>Citibank, N.A.</td></tr> <tr><td>6</td><td>1,500,000</td><td>0.94</td><td>SEB PRIME SOLUTIONS SISSENER CANOP</td></tr> <tr><td>7</td><td>1,465,880</td><td>0.92</td><td>FINMARINE AS</td></tr> <tr><td>8</td><td>1,371,909</td><td>0.86</td><td>GLOBAL X SUPERDIVIDEND ETF</td></tr> <tr><td>9</td><td>1,202,589</td><td>0.75</td><td>JPMorgan Chase Bank, N.A., London</td></tr> <tr><td>10</td><td>1,055,327</td><td>0.66</td><td>Brown Brothers Harriman (Lux.) SCA</td></tr> <tr><td>11</td><td>1,020,269</td><td>0.64</td><td>ARCTIC FUNDS PLC</td></tr> <tr><td>12</td><td>988,580</td><td>0.62</td><td>KLP AKSJENORGE</td></tr> <tr><td>13</td><td>988,188</td><td>0.62</td><td>Invesco European Smaller Compan Fd</td></tr> <tr><td>14</td><td>954,415</td><td>0.6</td><td>Avanza Bank AB</td></tr> <tr><td>15</td><td>823,720</td><td>0.52</td><td>JPMorgan Chase Bank, N.A., London</td></tr> <tr><td>16</td><td>821,527</td><td>0.52</td><td>KLAVENESS MARINE FINANCE AS</td></tr> <tr><td>17</td><td>792,597</td><td>0.5</td><td>Nordnet Bank AB</td></tr> <tr><td>18</td><td>724,771</td><td>0.45</td><td>WENAASGRUPPEN AS</td></tr> <tr><td>19</td><td>720,766</td><td>0.45</td><td>Skandinaviska Enskilda Banken AB</td></tr> <tr><td>20</td><td>628,840</td><td>0.39</td><td>KOMMUNAL LANDSPENSJONSKASSE</td></tr> </tbody> </table> <ul style="list-style-type: none"> <li>Kjell Inge Røkke controls 68.2%* of the shares in Aker ASA, which owns 100% of the shares in Aker Capital AS, through his ownership of the TRG companies. In addition he holds 280,000* shares directly in Ocean Yield.</li> <li>Finmarine AS is owned by the CEO Lars Solbakken.</li> </ul>	#	Shares	%	Investor	1	98,242,575	61.65	AKER CAPITAL AS	2	3,076,460	1.93	JPMorgan Chase Bank, N.A., London	3	2,577,863	1.62	Norron Sicav - Active	4	2,549,111	1.6	Norron Sicav - Target	5	2,116,225	1.33	Citibank, N.A.	6	1,500,000	0.94	SEB PRIME SOLUTIONS SISSENER CANOP	7	1,465,880	0.92	FINMARINE AS	8	1,371,909	0.86	GLOBAL X SUPERDIVIDEND ETF	9	1,202,589	0.75	JPMorgan Chase Bank, N.A., London	10	1,055,327	0.66	Brown Brothers Harriman (Lux.) SCA	11	1,020,269	0.64	ARCTIC FUNDS PLC	12	988,580	0.62	KLP AKSJENORGE	13	988,188	0.62	Invesco European Smaller Compan Fd	14	954,415	0.6	Avanza Bank AB	15	823,720	0.52	JPMorgan Chase Bank, N.A., London	16	821,527	0.52	KLAVENESS MARINE FINANCE AS	17	792,597	0.5	Nordnet Bank AB	18	724,771	0.45	WENAASGRUPPEN AS	19	720,766	0.45	Skandinaviska Enskilda Banken AB	20	628,840	0.39	KOMMUNAL LANDSPENSJONSKASSE
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Key financial information

Ocean Yield ASA (consolidated) – annual accounts (audited)

<b>Balance Sheet (USD million)</b>	<b>31.12.2018</b>	<b>31.12.2017</b>
Total non current assets	2 579.0	2 290.8
Total current assets	147.6	152.2
<b>Total assets</b>	<b>2 726.6</b>	<b>2 443.1</b>
Total equity	845.7	831.5
Total non current liabilities	1 610.9	1 474.2
Total current liabilities	269.9	137.3
<b>Total equity &amp; liabilities</b>	<b>2 726.6</b>	<b>2 443.1</b>
<b>Income statement (USD million)</b>		
	<b>31.12.2018</b>	<b>31.12.2017</b>
Total revenues and other income	343.4	339.1
EBITDA	282.7	306.5
Operating profit (EBIT)	151.8	203.8
Net profit before tax	61.6	149.7
Basic earnings per share (USD)	0.36	0.86
<b>Cash flow statement (USD million)</b>		
	<b>31.12.2018</b>	<b>31.12.2017</b>
Net Cash flow from operating activities	192.4	170.3
Net Cash flow from investing activities	-421.3	-59.3
Net Cash flow from financing activities	241.8	-178.1
Net Cash and cash equivalents at end of period	110.0	98.7
<b>Ocean Yield ASA (consolidated) – interims account (unaudited)</b>		
<b>Balance Sheet (USD million)</b>		
	<b>30.06.2019</b>	<b>30.06.2018</b>
Total non current assets	2 708.4	2 321.6
Total current assets	99.1	302.6
<b>Total assets</b>	<b>2 807.5</b>	<b>2 623.9</b>
Total equity	796.9	946.3
Total non current liabilities	1 620.3	1 475.8
Total current liabilities	390.2	201.8
<b>Total equity &amp; liabilities</b>	<b>2 807.5</b>	<b>2 623.9</b>
<b>Income statement (USD million)</b>		
	<b>30.06. 2019</b>	<b>30.06.2018</b>
Total revenues and other income	124.9	184.3
EBITDA	108.7	162.1
Operating profit (EBIT)	65.5	108.7
Net financial items	(50.3)	(36.1)
Net profit before tax	15.3	72.6
Earnings per share (USD)	0.08	0.44
<b>Cash flow statement (USD million)</b>		
	<b>30.06. 2019</b>	<b>30.06.2018</b>
Net Cash flow from operating activities	62.0	131.7
Net Cash flow from investing activities	(179.9)	(76.1)
Net Cash flow from financing activities	95.1	114.0
Net Cash and cash equivalents at end of period	86.9	266.0
There are no description of any qualifications in the audit report in Annual Report 2018 and 2017.		
<i>What is the key risk factors that are specific to the issuer</i>		
Most material key risk factors	<ul style="list-style-type: none"> <li>○ The Company depends on the performance of the charterers of its vessels for its operating cash flows and has inherent credit risk towards these counterparties.</li> <li>○ The Company has inherent risk related to vessel construction, where the Company is exposed to risks for</li> </ul>	

	<p>late delivery or even cancellations of newbuilding contracts.</p> <ul style="list-style-type: none"> <li>○ The Company will from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties and others which may not be resolved in its favour.</li> <li>○ The Company is also exposed to operating- and employment risk for the FPSO Dhirubhai-1 and Connector. If the Company is not able to secure a new long-term contract for the FPSO Dhirubhai-1 within a reasonable period of time, there is a risk of an impairment on the book value.</li> <li>○ Certain of the Company's vessels are subject to purchase options held by the charterer of the vessel, which if exercised, could reduce the size of the Company's fleet and its future revenues.</li> <li>○ The Company will need to refinance its financial indebtedness in the future, which it may be unable to do on favourable terms or at all.</li> <li>○ Certain of the Company's charter contracts, borrowing agreements and other instruments are subject to change of control provisions.</li> </ul>
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### C Key information on the securities

Disclosure requirements	Disclosure
<i>What are the main features of the securities</i>	
Description of the securities, including ISIN code.	<p>ISIN code NO0010861594. Perpetual Hybrid Callable Bond Issue. Issue date 10 September 2019. Maturity Date: Perpetual (no fixed maturity date).</p> <p>Floating interest rate, payable each 10 March, 10 June, 10 September and 10 December in each year. Any adjustment will be made according to the Business Day Convention. Coupon Rate is Reference Rate + Margin, where Reference Rate means 3 month LIBOR and Margin (6.50 per cent per annum). Current Coupon Rate: 8,63413 % p.a. for the interest period ending on 10 December 2019.</p> <p>Margin Step-Up 5.00% p.a. The Margin shall be adjusted with the Margin Step-Up on the Interest Payment Date in March 2025 (5.5 years after the Issue Date) so the Margin will be 11.50% p.a. thereafter.</p> <p>First tranche USD 125,000,000.</p> <p>Issuer has Call Option.</p> <p>Dependent on the market price. Yield for the Interest Period (10 September 2019 – 10 December 2019) is 8.92 % p.a. assuming a price of 100 %.</p> <p>Nordic Trustee AS (as 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.</p>
Description of the rights attached to the securities, limitations to those rights and ranking of the securities.	<p><b>Call Option</b></p> <p>The Issuer may redeem the Bonds (all but not in parts);</p> <ul style="list-style-type: none"> <li>(a) on any Business Day from and including the First Call Date to, but not including, the second Interest Payment Date thereafter, at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond; and</li> <li>(b) on the second Interest Payment Date after the First Call Date and on any subsequent Interest Payment Date thereafter, at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.</li> </ul>

	<p><b>Conditional Call Option</b></p> <p>(a) The Issuer may redeem all but not only some of the Outstanding Bonds (the “<b>Conditional Call Option</b>”) on any Business Day upon the occurrence of an Accounting Event, a Substantial Repurchase Event, a Tax Event or a Withholding Tax Event:</p> <p>(i) at a price equal to 101 per cent. of the Nominal Amount for each redeemed Bond prior to the First Call Date; and</p> <p>(ii) at a price equal to 100 per cent. of the Nominal Amount for each redeemed Bond in the period thereafter.</p> <p>(b) Any redemption of Bonds pursuant to Clause 10.2 (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.</p> <p>(c) The Conditional Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p> <p><b>Early redemption due to a Change of Control</b></p> <p>Upon the occurrence of a Change of Control Event, the Issuer may redeem all but not only some of the Outstanding Bonds (the “<b>Change of Control Call Option</b>”) on any Business Day at a price equal to 101 per cent. of the Nominal Amount for each redeemed Bond.</p> <p><b>Voluntary early redemption – Replacement Capital Event</b></p> <p>The Issuer may redeem all but not only some of the Outstanding Bonds (the “Replacement Capital Call Option”) on any Business Day upon the occurrence of a Replacement Capital Event at a price equal to 103 per cent. of the Nominal Amount for each redeemed Bond.</p> <p>Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date</p> <p>Denomination: USD 1,000 - each and ranking pari passu among themselves. Minimum subscription and allocation amount of at least USD 150,000.</p>
Status of the bonds and security	<p>The Bonds shall constitute subordinated obligations of the Issuer and shall rank:</p> <p>(a) pari passu among themselves and with any Parity Obligations;</p> <p>(b) in priority to (i) payments to holders of all classes of share capital of the Issuer in their capacity as such holders and (ii) any other obligation of the Issuer expressed by its terms as at its original issue date to rank, or which pursuant to Norwegian law will rank, junior to the Payment Obligations (“Junior Obligations”); and</p> <p>(c) junior in right of payment of any present or future claims (i) of all unsubordinated creditors of the Issuer, and (ii) of all subordinated creditors of the Issuer whose rights are expressed to rank senior to the Parity Obligations.</p> <p>The Bonds are unsecured.</p>
Any restrictions on the free transferability of the securities.	<p>Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.</p> <p>A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p>
<i>Where will the securities be traded</i>	

Indication as to whether the securities offered are or will be the object of an application for admission to trading.	An application for admission to trading on the Oslo Børs will be made once the Prospectus has been approved.
<i>Is there a guarantee attached to the securities?</i>	Not applicable. There is no guarantee attached to the securities.
<i>What are the key risks that are specific to the securities</i>	
Most material key risks	<ul style="list-style-type: none"> <li>- The Company's securities are not a suitable investment for all investors, and each potential investor should have sufficient knowledge and experience to make a meaningful evaluation of the relevant security, the merits and risks of investing.</li> <li>- The Company's ability to generate cash flow and to repay its indebtedness will depend on the Company's future performance. The future performance of the Company will be affected by a range of economic, competitive, governmental, operating and other business factors, many of which cannot be controlled.</li> <li>- There can be no assurance given regarding the future development of a trading market for the Company's securities.</li> <li>- The pricing of the securities can be volatile, and it may be difficult or even impossible to trade and sell securities in the secondary market.</li> <li>- The Issuer's subsidiaries own significant parts of the Company's assets. Accordingly, repayment of indebtedness will depend upon the ability of such subsidiaries to make cash available to it, by dividend, debt repayment or otherwise. Furthermore, any unsecured securities issued by the Company will be structurally subordinated to the liabilities of any of the subsidiaries and to any secured debt.</li> </ul>

**D Key information on the admission to trading on a regulated marked**

Disclosure requirements	Disclosure																
Under which conditions and timetable can I invest in this security?	<p>The Loan was initially offered to professional, certain non-professional and eligible investors prior to the Issue Date 10 September 2019. The Loan is freely negotiable, however certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. There is no market-making agreement entered into in connection with the Bond Issue. The estimate of total expenses related to the admission to trading are as follow:</p> <table border="1" data-bbox="520 510 1334 734"> <thead> <tr> <th>External party</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>The Norwegian FSA</td> <td>NOK 64,000</td> </tr> <tr> <td>The stock exchange</td> <td>NOK 26,140</td> </tr> <tr> <td>The Bond Trustee, p.a.</td> <td>NOK 130,000</td> </tr> <tr> <td>Legal fee</td> <td>NOK 300,000 (estimate)</td> </tr> <tr> <td>Listing Agent</td> <td>NOK 90,000</td> </tr> <tr> <td>The Lead Managers</td> <td>NOK 16,775,625 (1,875mUSDx8,947)</td> </tr> <tr> <td><b>Total</b></td> <td><b>NOK 17,385,765</b></td> </tr> </tbody> </table> <p>Admission to trading on a regulated market will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.</p>	External party	Cost	The Norwegian FSA	NOK 64,000	The stock exchange	NOK 26,140	The Bond Trustee, p.a.	NOK 130,000	Legal fee	NOK 300,000 (estimate)	Listing Agent	NOK 90,000	The Lead Managers	NOK 16,775,625 (1,875mUSDx8,947)	<b>Total</b>	<b>NOK 17,385,765</b>
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<b>Total</b>	<b>NOK 17,385,765</b>																
Why is the prospectus being produced	In connection with listing of the securities on the Oslo Børs.																
Reasons for the admission to trading on a regulated marked and use of.	<p>The net proceeds of the Bonds shall be applied towards the general corporate purposes of the Group.</p> <p>Estimated net amount of the proceeds: USD 123,125,000</p>																
Underwriting agreement	Not applicable. The prospectus has been produced in connection with listing of the securities on the Oslo Børs and not in connection with an offer.																
Description of material conflicts of interest to the issue including conflicting interests.	<p>The involved persons in the Issuer have no interest, nor conflicting interests that are material to the Bond Issue.</p> <p>Arctic Securities AS, DNB Bank ASA, DNB Markets, Nordea Bank Abp, filial I Norge, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ), have assisted the Company in preparing the Prospectus. The Joint Lead Managers and/or affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in the Prospectus, and may perform or seek to perform financial advisory or banking services related to such instruments. The Joint Lead Managers' corporate finance department may act as manager for this Company in private and/or public placement and/or resale not publicly available or commonly known.</p>																

## 2 Risk Factors

Investing in bonds issued by Ocean Yield ASA involves inherent risks. Prospective investors should consider, among other things, the risk factors set out in the Prospectus, before making an investment decision. The risks and uncertainties described in the Prospectus are risks of which Ocean Yield ASA is aware and that Ocean Yield ASA considers to be material to its business. If any of these risks were to occur, Ocean Yield ASA's business, financial position, operating results or cash flows could be materially adversely affected, and Ocean Yield ASA 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, including but not limited to risk factors for the Company, set out in the Registration Document dated 5 November 2019 and reach their own views prior to making any investment decision.

In each category below, the Issuer sets out the most material risk, in the Issuer's assessment, taking into the negative impact of such risk on the Issuer and the bonds and the probability of its occurrence. If any of the following risk were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse affect the Company's business, results of operations, cash flows, financial conditions and/or prospects, which may cause a decline in the value of the Bonds and a loss of part or all of your investment.

### **Risk related to the Issue and the Bonds**

#### Risks related to the Bonds being perpetual

The Bonds constitute direct, unsecured and subordinated obligations of the Issuer. The Bonds are also structurally subordinated to liabilities of the Issuer's subsidiaries.

The Bonds are furthermore not subject to any enforceable events of default or forced repayment outside liquidation or bankruptcy. The Bonds are perpetual without any scheduled maturity date and are not redeemable at the option of the holders. The Bonds will become immediately due and payable only in the event of liquidation or bankruptcy of the Issuer, otherwise repayment is discretionary to the Issuer. The bondholders will therefore be unable to accelerate the maturity date of the Bonds, or take other actions against the Issuer to preserve their investments, even if the financial condition of the Issuer materially deteriorates.

Upon the insolvency and/or liquidation of the Issuer all claims in respect of the Bonds will rank as described in the Bond Terms, and shall rank a) *pari passu* among themselves and with Parity Obligations, in priority to (i) payments to holders of all classes of share capital of the Issuer in their capacity as such holders and (ii) any other obligation of the Issuer expressed by its terms as at its original issue date to rank, or which pursuant to Norwegian law will rank, junior to the Payment Obligations ("Junior Obligations"); and (c) junior in right of payment of any present or future claims (i) of all unsubordinated creditors of the Issuer, and (ii) of all subordinated creditors of the Issuer whose rights are expressed to rank senior to the Bonds (capitalised terms as defined in the Bond Terms).

If, upon the insolvency and/or liquidation of the Issuer, the assets of the Issuer are insufficient to enable the Issuer to repay the claims of more senior-ranking creditors in full, the Bondholders will lose their entire investment in the Bonds. If there are sufficient assets to enable the Issuer to pay the claims of senior ranking creditors in full but insufficient assets to enable it to pay claims in respect of its obligations in respect of the Bonds and all other claims that rank *pari passu* with the Bonds, Bondholders will lose some or all of their investment in the Bonds.

#### Risk related to Deferral of interest

Subject to certain conditions under the terms of the Bonds, the Issuer may elect to defer coupon payments at any time. As a consequence, there can be no assurance that bondholders will actually receive any periodic return on their investment.

#### Risks of being unable to repay the Bonds

During the lifetime of the Bonds, the Issuer will be required to make payments on the Bonds. The Company's ability to generate cash flow from operation and to make scheduled payments on and to repay the Bonds, will depend on the future financial performance of the Issuer and the Group. In addition, the Issuer's ability to pay amounts due on the Bonds may depend on the financial performance of its subsidiaries and upon the level of distributions, interest payments and loan repayments, if any, received from its operating subsidiaries, any amounts received on disposals of assets and equity holdings and the level of cash balances. Certain of the Group's operating subsidiaries may be subject to restrictions on their ability to make distributions and loans including as a result of restrictive covenants in loan agreements, foreign exchange and other regulatory restrictions and laws and agreements with other shareholders of such subsidiaries (if applicable) or associated undertakings.

If the Issuer is unable to generate sufficient cash flow from operations or through distributions from its subsidiaries in the future to service its debt, it will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing indebtedness or seeking equity capital. The Issuer cannot assure investors that any of these alternative strategies could be affected on satisfactory terms, if at all, or that they would yield sufficient funds to service or to repay the Bonds.

### Change of control

The individual bondholder will not have a right to have its Bonds redeemed in case of any change of control or change of ownership in the Company. A change of control or change of ownership in the Company could lead to a new owner incorporating a change in strategy, risk appetite or business model of the Company which may negatively affect the Company's ability to service and redeem the Bonds. In addition, certain of the Company's charter contracts, borrowing agreements and other instruments are subject to change of control or change of ownership provisions. A breach of such provisions may lead to termination of these contracts, borrowing arrangements or other instruments and may result in decreased income, increased costs and/or losses, which in turn may have a material adverse effect on the Company's business, financial position, results of operations, future prospects, or its ability to service and redeem the Bonds.

### The Company's redemption of Bonds

Pursuant to the terms of the Bonds, the Issuer may redeem all or parts of the Bonds at various call prices during the lifetime of the Bonds. This is likely to limit the market value of the Bonds. During any period when the Issuer may redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

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

**The regulation and reform of "benchmarks" may adversely affect the value of securities linked to or referencing such "benchmarks"** - Interest rates and indices which are deemed to be "benchmarks", (including LIBOR) are subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any securities linked to or referencing such a "benchmark". The Benchmarks Regulation could have a material impact on any Bonds linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

The Bonds are linked to LIBOR and there is a risk that any discontinuance or reforms of LIBOR may material adverse affect the pricing of the Bonds. No guarantees can be made as to the continuance of the current underlying reference rate of the Bonds and the possible consequences a potential discontinuance of LIBOR may have of the value of the Bonds.

**Interest rate risk** - is the risk that results from the variability of the LIBOR reference rate. The coupon payments, which are floating and subject to the LIBOR reference rate combined with the Margin, will vary in accordance with the variability of LIBOR as underlying reference rate. 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. Significant, adverse and long lasting changes in LIBOR, resulting in a materially higher reference rate for the Bonds, may adversely affect the Issuer's financial position and ability to service the Bonds.

**Market risk** - is the risk that the value of the Loan will decrease due to the change in value of the market risk factors. 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 loans with a longer tenor and/or with a fixed coupon rate, such as the Bonds, being perpetual with no fixed maturity date.

## 3 Persons Responsible, Third Party information, Experts' report and Competent Authority Approval

### 3.1 Persons responsible for the information

Persons responsible for the information given in the prospectus are:  
Ocean Yield ASA, Oksenøyveien 10, 1366 Lysaker, Norway

### 3.2 Declaration by persons responsible

**Responsibility statement:**

Ocean Yield ASA confirms 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.

Oslo, 5 November 2019

Ocean Yield ASA



Eirik Eide  
CFO

### 3.3 Experts' report

No statement or report attributed to a person as an expert is included in the Securities Note.

### 3.4 Third Party information

There is no information given in this Securities Note sourced from a third party.

### 3.5 Competent Authority Approval

Ocean Yield ASA confirms that:

- (a) the Securities Note has been approved by the Finanstilsynet, as competent authority under Regulation (EU) 2017/1129;
- (b) the Finanstilsynet only approves this Securities Notes as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- (c) such approval shall not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note;
- (d) investors should make their own assessment as to the suitability of investing in the securities; and

## 4 Detailed information about the securities

ISIN code:	NO 0010861594
The Loan/The Reference Name/The Bonds:	"FRN Ocean Yield ASA Perpetual Callable Bond Issue 2019".
Borrower/Issuer:	Ocean Yield ASA, Norwegian enterprise no. 991 844 562 and LEI number 5967007LIEEXZXGLT422
Security Type:	Perpetual callable bond issue with floating rate.
Borrowing Limit – Tap Issue:	USD 200,000,000
Borrowing Amount/First Tranche:	USD 125,000,000
Denomination – Each Bond:	USD 1,000 - each and ranking pari passu among themselves
Minimum subscription and allocation Amount:	USD 150,000,000 and integral multiples of USD 1,000 in excess thereof.
Securities Form:	The Bonds are electronically registered in book-entry form with the Securities Depository.
Disbursement/Settlement/Issue Date:	10 September 2019.
Interest Bearing From and Including:	Disbursement/Settlement/Issue Date.
Interest Bearing To:	Perpetual, no fixed maturity date.
Maturity Date:	Perpetual (no fixed maturity date).
Reference Rate:	LIBOR 3 months.
Margin:	6.50 % p.a.
Margin Step-Up:	5.00 % p.a.
Margin Adjustment:	The Margin shall be adjusted with the Margin Step-Up on the Interest Payment Date in March 2025 (5.5 years after the Issue Date) so the Margin will be 11.50% p.a. thereafter.
Coupon Rate:	Reference Rate + Margin, equal to 8,63413 % p.a. for the interest period ending on 10 December 2019.
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:	6 September 2019, 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 10 March, 10 June, 10 September and 10 December in each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.  The first Interest Payment Date is 10 December 2019.

#Days first term:	91 days.
Issue Price:	100 % (par value).
Yield:	<p>Dependent on the market price. Yield for the Interest Period (10 September 2019 – 10 December 2019) is 8.92 % p.a. assuming a price of 100 %.</p> <p>The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» prepared by Norske Finansanalytikeres Forening in 2001 <a href="http://www.finansanalytiker.no/innhold/publikasjoner/Konvensjoner_oktober14.pdf">http://www.finansanalytiker.no/innhold/publikasjoner/Konvensjoner_oktober14.pdf</a></p>
Business Day:	Means a day on which both the relevant CSD settlement system is open, and the relevant Bond currency settlement system is open.
Deferral of interest:	<p>The Issuer may, at any time and in its sole discretion, elect to defer (in whole but not in part) any interest payment (“Deferred Interest”) which is otherwise scheduled to be paid on an Interest Payment Date by giving notice (a “Deferral Notice”) of such deferral to the Bond Trustee. Any such deferral of an interest payment shall not constitute a default or any other breach of the obligations of the Issuer under these Bond Terms.</p> <p>The Issuer shall submit any Deferral Notice to the Bond Trustee and the Paying Agent as soon as practicable and no less than 10 Business Days prior to the relevant Interest Payment Date. Such notice shall be irrevocable.</p> <p>Any Deferred Interest shall not bear interest and shall not be added to the Nominal Amount of the Bonds. Any Deferred Interest will be provided with a separate ISIN in accordance with the procedures in the CSD. The ISIN for any Deferred Interest will not have voting rights under these Bond Terms and will be subject to Bondholders’ decisions made in any Bondholders Meeting.</p> <p>The Issuer shall pay all outstanding Deferred Interest on the earlier of:</p> <ul style="list-style-type: none"><li>(i) the next Interest Payment Date on which the Issuer has not elected to defer the interest payable;</li><li>(ii) any Call Option Repayment Date;</li><li>(iii) the date on which liquidation proceedings are formally opened with respect to the Issuer or the date on which the Issuer is otherwise dissolved (unless such dissolution is done for the purpose or as a result of a merger where the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer).</li></ul>
First Call Date:	The Interest Payment Date in September 2024 (5 years after the Issue Date).
Call Option:	<p>The Issuer may redeem all but not only some of the Outstanding Bonds;</p> <ul style="list-style-type: none"><li>(a) on any Business Day from and including the First Call Date to, but not including, the second Interest Payment Date thereafter, at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond; and</li><li>(b) on the second Interest Payment Date after the First Call Date and on any subsequent Interest Payment Date thereafter, at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.</li></ul> <p>Any redemption of Bonds pursuant to Clause 10.2 (a) in the Bond Terms shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.</p> <p>The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p>
Conditional Call Option– Early redemption:	<ul style="list-style-type: none"><li>a) The Issuer may redeem all but not only some of the Outstanding Bonds (the “Conditional Call Option”) on any Business Day upon the occurrence of an Accounting Event, a Substantial Repurchase Event, a Tax Event or a Withholding Tax Event:</li></ul>

- b)
  - (i) at a price equal to 101 per cent. of the Nominal Amount for each redeemed Bond prior to the First Call Date; and
  - (ii) at a price equal to 100 per cent. of the Nominal Amount for each redeemed Bond in the period thereafter.
- c) Any redemption of Bonds pursuant to Clause 10.2 (a) in the Bond Terms shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- d) The Conditional Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

Early redemption due to a Change of Control:

Upon the occurrence of a Change of Control Event, the Issuer may redeem all but not only some of the Outstanding Bonds (the "Change of Control Call Option") on any Business Day at a price equal to 101 per cent. of the Nominal Amount for each redeemed Bond.

The Change of Control Call Option may be exercised by the Issuer by written notice to the Bond Trustee no less than 30 and no more than 60 days' prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date, which date shall no later than 60 days following the occurrence of the Change of Control Event.

In the event that the Issuer does not elect to redeem the Bonds in accordance with the Change of Control Call Option described above, the then prevailing Margin (and any adjusted Margin following any Margin Step-Up) shall be increased by 5.00 percentage points per annum with effect from (and including) the day immediately following the date when the Change of Control Event occurred (the "CoC Margin Step-Up"), provided that the CoC Margin Step-Up shall not apply during periods where the Issuer has given notice to the Bond Trustee that the Issuer's long-term unsubordinated and unsecured publicly traded credit of the Issuer is rated as Investment Grade by any Rating Agency (such notice to be accompanied by a copy of the relevant Investment Grade rating).

Voluntary early redemption – Replacement Capital Event:

The Issuer may redeem all but not only some of the Outstanding Bonds (the "Replacement Capital Call Option") on any Business Day upon the occurrence of a Replacement Capital Event at a price equal to 103 per cent. of the Nominal Amount for each redeemed Bond.

The Replacement Capital Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

Amortisation:

The Bonds shall not be subject to any mandatory instalments and may not be redeemed otherwise than in accordance with the Bond Terms.

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 and ranking of the Bonds:

The Bonds shall constitute subordinated obligations of the Issuer and shall rank:

- (a) pari passu among themselves and with any Parity Obligations;
- (b) in priority to (i) payments to holders of all classes of shares of the Issuer in their capacity as such and (ii) any other obligation of the Issuer expressed by its terms as at its original issue date to rank, or which pursuant to Norwegian law will rank, junior to the Parity Obligations ("Junior Obligations"); and
- (c) junior in right of payment of any present or future claims (i) of all unsubordinated creditors of the Issuer, and (ii) of all subordinated

creditors of the Issuer whose rights are expressed to rank senior to the Parity Obligations.

The Bonds are unsecured.

Undertakings:

During the term of the Loan the Issuer shall comply with the covenants in accordance with the Bond Perms paragraph 12 and 13 Covenants, including but not limited to:

**Financial Reports**

The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 180 days after the end of the financial year.

The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 60 days after the end of the relevant interim period.

**General**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time, if failure so to comply would have a Material Adverse Effect.

**Dividend restriction**

The Issuer may not declare or make any dividend, interest, other distributions or payment in respect of any Junior Obligations or Parity Obligations as long as:

- (i) any amount of Deferred Interest remains outstanding; or,
- (ii) the Issuer has delivered a Deferral Notice with respect to an upcoming Interest Payment Date.

*(See chapter 1.1 in the Bond Agreement for **definitions**)*

No Events of Default:

The Bonds are not subject to any event of default provisions. Neither the Bond Trustee nor the Bondholders may declare any event of default by the Issuer of any of its obligations under these Bond Terms (neither on a contractual basis nor on the basis of general principles of Norwegian law). The Bond Trustee may only demand repayment of the Bonds on (i) the date on which liquidation proceedings are formally opened with respect to the Issuer ("Liquidation Date") or (ii) the date on which the Issuer is otherwise dissolved (unless such dissolution is done for the purpose or as a result of a merger where the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) ("Dissolution Date", and together with Liquidation Date referred to as an "Acceleration Event).

Please see paragraph 15 Events of Default in the Bond Agreement for further information.

Listing:

An application for listing on the regulated market of Oslo Børs will be made 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/Use of proceeds: The Issuer will use the net proceeds from the Initial Bond Issue and from any Additional Bonds for the general corporate purposes of the Group.

Estimated total expenses related to Issue:

External party	Cost
The Norwegian FSA	NOK 64,000
The stock exchange	NOK 26,140
The Bond Trustee, p.a.	NOK 130,000
Legal fee	NOK 300,000 (estimate)
Listing Agent	NOK 90,000
The Lead Managers	NOK 16,775,625 (1,875mUSDx8,947)
<b>Total</b>	<b>NOK 17,385,765</b>

LIBOR (Reference Rate): Means LIBOR (London Interbank Offered Rate) being;

- (a) the interest rate which is published on Reuters Screen LIBOR01 Page (or through another system or on another website replacing the said system or website respectively) approximately 11.00 a.m. (London time) on the Interest Quotation Day and for a period comparable to the relevant Interest Period; or
- (b) if no screen rate is available for the relevant Interest Period:
  - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
  - (ii) a rate for deposits in the Bond currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
  - (i) any relevant replacement reference rate generally accepted in the market; or
  - (ii) such interest rate that best reflects the interest rate for deposits in the Bond currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

Please see Reuters Screen LIBOR01 Page (or through another system or on another website replacing the said system or website respectively) for information about LIBOR's past and future performance and its volatility.

Approvals: The Bonds were issued in accordance with the approval of the Issuer's Board of Directors dated 5<sup>th</sup> September 2019.

The Norwegian FSA has approved the Prospectus by e-mail 5 November 2019.

The prospectus has also been sent to the Oslo Børs ASA for control in relation to a listing application of the bonds.

Bond Terms/Bond Agreement: The Bond Terms has been entered into by the Borrower and the Bond Trustee. The Bond Terms regulates the Bondholder's rights and obligations with respect to the bonds. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.

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 3 in the Bond Terms.

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

**Bondholders' meeting:**

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.

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 the records registered in the Securities Depository.

In order to form a quorum, at least half (1/2) of the voting bonds must be represented at the Bondholders' meeting. See also clause 15.3 in the Bond Terms.

Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, however, a majority of at least 2/3 of the voting bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of the Bond Terms.

(For more details, see also clause 15 in the Bond Terms)

**Availability of the Documentation:**

<https://www.oceanyield.no>

**Bond Trustee:**

Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway.

The Bond Trustee shall monitor the compliance by the Issuer of its obligations under the Bond Terms 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, (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 Terms. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set out in this Bond Agreement.

(For more details, see also Bond agreement clause 16)

**Joint Lead Managers:**

Arctic Securities AS; P.O. Box 1470 Vika, NO-116 Oslo, Norway;  
DNB Bank ASA, DNB Markets, Dronning Eufemias gate 30, NO-0191, Oslo, Norway;  
Nordea Bank Abp, filial i Norge, Nordea Markets, P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway;  
Pareto Securities AS, Dronning Mauds gate 3, NO-115 Oslo, Norway; and  
Skandinaviska Enskilda Banken AB (publ), Filipstad Brygge 1, 0252 Oslo, Norway.

**Paying Agent:**

DNB Bank ASA, Verdipapirservice, Dronning Eufemias gt. 30, N-0191 Oslo, Norway.

The Paying Agent is in charge of keeping the records in the Securities Depository.

**Listing Agent:**

DNB Bank ASA, DNB Markets.

**Calculation Agent:**

The Bond Trustee.

**Securities Depository:**

The Securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2002 no. 64 regarding Securities depository.

On Disbursement Date the Securities Depository is the Norwegian Central Securities Depository ("VPS"), P.O. Box 4, 0051 OSLO.

**Purchase and transfer of Bonds:** Certain purchase or selling restrictions may apply to Bondholders under

applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

Market-Making:	There is no market-making agreement entered into in connection with the Bond Issue.
Prospectus:	The Registration Document dated 5 November 2019 and this Securities Note with Summary dated 5 November 2019.
Registration Document:	Document describing the Issuer
Securities Note:	This document with Summary
Legislation under which the Securities have been created:	Norwegian law.
Fees, Expenses and Tax legislation:	<p>The tax legislation of the investor's Member State and of the issuer's country of incorporation may have an impact on the income received from the securities.</p> <p>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.</p>

## 5 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 Arctic Securities AS, DNB Bank ASA, DNB Markets, Nordea Bank Abp, filial i Norge, Pareto Securities and Skandinaviska Enskilda Banken AB (publ) 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:

Arctic Securities AS, DNB Bank ASA, DNB Markets, Nordea Bank Abp, filial i Norge, Pareto Securities and Skandinaviska Enskilda Banken AB (publ) have assisted the Borrower in preparing the prospectus. Arctic Securities AS, DNB Bank ASA, DNB Markets, Nordea Bank Abp, filial i Norge, Pareto Securities and Skandinaviska Enskilda Banken AB (publ) 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), 5 November 2019

Arctic Securities AS

DNB Bank ASA, DNB Markets

Nordea Bank Abp, filial i Norge

Pareto Securities AS

Skandinaviska Enskilda Banken 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.

## **6 Appendix 1: Bond Agreement**

**BOND TERMS**  
**FOR**  
**OCEAN YIELD ASA**  
**FRN USD 200,000,000 PERPETUAL CALLABLE HYBRID BOND ISSUE**  
**ISIN NO 0010861594**

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**BOND TERMS between**

**ISSUER:** Ocean Yield ASA, a company existing under the laws of Norway with registration number 991 844 562 and LEI-code 5967007LIEEXZXGLT422 and

**BOND TRUSTEE:** Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.

**DATED:** 6 September 2019

These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.

**1. INTERPRETATION****1.1 Definitions**

The following terms will have the following meanings:

“**Acceleration Event**” has the meaning given to it in Clause 14.1 (*No events of default*).

“**Accounting Event**” means that the capital raised by the Issuer by the issuance of the Bonds, under GAAP and as at any time determined by the Issuer's auditor for the purpose of the Issuer's audited financial statements, does not classify as "equity" for accounting purposes.

“**Additional Bonds**” means Bonds issued under a Tap Issue.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person who has Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity who has Decisive Influence (directly or indirectly) over that person.

“**Annual Financial Statements**” means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with GAAP, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment (if any) to these Bond Terms.

“**Bond Terms**” means these terms and conditions, including all Attachments which shall form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating among other things to the fees to be paid by the Issuer to the Bond Trustee for its obligations relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 14 (*Bondholders’ Decisions*).

“**Bonds**” means the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds.

“**Business Day**” means a day on which both the relevant CSD settlement system is open, and the relevant Bond currency settlement system is open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

“**Call Option**” has the meaning given to it in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the respective settlement date for (as the case may be) the Call Option, the Conditional Call Option, the Change of Control Call Option or the Replacement Capital Call Option as determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), Clause 10.3 (*Voluntary early redemption – Conditional Call Option*), Clause 10.4 (*Early redemption due to a Change of Control*) or Clause 10.5 (*Voluntary early redemption – Replacement Capital Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Change of Control Call Option**” has the meaning given to it in Clause 10.4 (*Early redemption due to a Change of Control*).

“**Change of Control Event**” means if any person or group of persons under the same Decisive Influence, or two or more persons acting in concert (other than Aker ASA, any indirectly or directly owned Subsidiary of Aker ASA or any Affiliate of Aker ASA, including The Resource Group TRG AS) obtains Decisive Influence over the Issuer.

“**CoC Margin Step-Up**” has the meaning given to it in Clause 10.4 (*Early redemption due to a Change of Control*).

“**Conditional Call Option**” has the meaning given to it in Clause 10.3 (*Voluntary early redemption – Conditional Call Option*).

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

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

- (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.

“**Default Notice**” means a written notice to the Issuer as described in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Deferral Notice**” shall have the meaning ascribed to such term in Clause 9.4 (*Deferral of Interest*).

“**Deferred Interest**” shall have the meaning ascribed to such term in Clause 9.4 (*Deferral of Interest*).

“**Exchange**” means Oslo Børs (the Oslo Stock Exchange) or another recognized exchange.

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Reports**” means the Annual Financial Statements and the Interim Accounts.

“**First Call Date**” means the Interest Payment Date falling in September 2024.

“**GAAP**” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, 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 from time to time.

“**Group Company**” means any person which is a member of the Group.

“**Initial Bond Issue**” means the aggregate Nominal Amount of all Bonds issued on the Issue Date.

“**Initial Nominal Amount**” means the nominal amount of each Bond as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its center of main interest as such term is understood pursuant to Council Regulation (EC) no. 1346/2000 on insolvency proceedings (as amended).

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 10 December 2019.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the period between 10 March, 10 June, 10 September and 10 December each year.

“**Interest Rate**” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“**Interest Quotation Day**” means, in relation to any period for which Interest Rate is to be determined, two Quotation Business Days before the first day of the relevant Interest Period.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on each 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with GAAP such financial statements to include a profit and loss account, balance sheet, cash flow statement and management commentary.

“**Investment Grade**” means a credit rating by a Rating Agency indicating low to moderate credit risk, at present and by example being BBB- or higher if rated by S&P or Fitch or Baaa3 or higher if rated by Moody's.

“**ISIN**” means International Securities Identification Number, being the identification number of the Bonds.

“**Issue Date**” means 10 September 2019.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer's Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**Junior Obligations**” has the meaning given to it in Clause 2.4 (*Status of the Bonds*).

“**Managers**” means Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Nordea Bank Abp, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ).

“**Margin**” means 6.50 per cent.

“**Margin Step-up**” means 5.00 per cent.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any of the Finance Documents; or
- (b) the validity or enforceability of any of the Finance Documents.

“**Maximum Issue Amount**” shall have the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Nominal Amount**” means the Initial Nominal Amount (less the aggregate amount by which each Bond has been partially redeemed, if any, pursuant to Clause 10 (*Redemption and repurchase of Bonds*)), or any other amount following a split of Bonds pursuant to Clause 16.2, paragraph (j).

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

“**Overdue Amount**” means any amount required to be paid by the Issuer under any of the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Parity Obligations**” means any obligation that rank or is expressed to rank pari passu with the Bonds.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

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

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Quotation Business Day**” means a day on which the Bank of England is open.

“**Rating Agency**” means Fitch, Moody's and S&P (or its successors) and any other rating agency of equivalent technical standards on the European Supervisory Authorities' ("ESA") mapping of credit assessments of External Credit Assessment Institutions for credit risk.

“**Reference Rate**” shall mean LIBOR (London Interbank Offered Rate) being;

- (a) the interest rate which is published on Reuters Screen LIBOR01 Page (or through another system or on another website replacing the said system or website respectively) approximately 11.00 a.m. (London time) on the Interest Quotation Day and for a period comparable to the relevant Interest Period; or
- (b) if no screen rate is available for the relevant Interest Period:
  - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or

- (ii) a rate for deposits in the Bond currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
  - (i) any relevant replacement reference rate generally accepted in the market; or
  - (ii) such interest rate that best reflects the interest rate for deposits in the Bond currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“**Repayment Date**” means any Call Option Repayment Date or the Default Repayment Date.

“**Replacement Capital Call Option**” shall have the meaning ascribed to it in Clause 10.5 (*Voluntary early redemption – Replacement Capital Event*).

“**Replacement Capital Event**” means that the Issuer has, after the Issue Date and in an aggregate amount not less than the outstanding Bonds (together with accrued and unpaid interest, including, if any, Deferred Interest), received net cash proceeds (gross proceeds net of fees, costs and expenses incurred in connection therewith) from (i) increases in its share capital or (ii) incurrence of obligations that are expressed by its terms as at its original issue date to rank, or pursuant to Norwegian law will rank, junior to the Parity Obligations.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no.75 of Norway.

“**Security**” means a mortgage, charge, pledge, lien, security assignment 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.

“**Substantial Repurchase Event**” means that the Issuer, at any time, has repurchased and cancelled Bonds with an aggregate Nominal Amount of at least equal to 90 per cent, of the aggregate Nominal Amount of the Bonds issued under these Bond Terms.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tap Issue**” shall have the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tap Issue Addendum**” shall have the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).]

“**Tax Event**” means a situation, as a result of a change in applicable law or change in the official position or interpretation of such law implemented after the date of these Bond Terms, where any interest payment under the Bonds are no longer tax-deductible by the Issuer for Norwegian tax purposes to the same extent as any unsubordinated obligations of the Issuer.

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

“**Withholding Tax Event**” means that the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds as a result of a change in applicable law or change in the official position or interpretation of such law implemented after the date of these Bond Terms.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European time unless otherwise stated;
- (e) references to a provision of “**law**” is a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;

- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*), and
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds in the maximum amount of USD 200,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of USD 125,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).
- (a) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (b) The Initial Nominal Amount of each Bond is USD 1,000.
- (c) The ISIN of the Bonds is NO 0010861594. All Bonds issued under the same ISIN will have identical terms and conditions as set out in these Bond Terms.

### 2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date. The Bonds are perpetual and does not have any scheduled maturity. The Bonds can only be redeemed in the manner set out in these Bond Terms.

### 2.3 Use of proceeds

The Issuer will use the net proceeds from the Initial Bond Issue and from any Additional Bonds for the general corporate purposes of the Group.

### 2.4 Status of the Bonds

The Bonds shall constitute subordinated obligations of the Issuer and shall rank:

- (a) pari passu among themselves and with any Parity Obligations;
- (b) in priority to (i) payments to holders of all classes of share capital of the Issuer in their capacity as such holders and (ii) any other obligation of the Issuer expressed by its terms

as at its original issue date to rank, or which pursuant to Norwegian law will rank, junior to the Payment Obligations ("**Junior Obligations**"); and

- (c) junior in right of payment of any present or future claims (i) of all unsubordinated creditors of the Issuer, and (ii) of all subordinated creditors of the Issuer whose rights are expressed to rank senior to the Bonds.

The Bonds are unsecured.

### **3. THE BONDHOLDERS**

#### **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

#### **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

#### **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

#### **4. ADMISSION TO LISTING**

An application is intended to be made for the Bonds to be listed on an Exchange.

#### **5. REGISTRATION OF THE BONDS**

##### **5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

##### **5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

##### **5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

#### **6. CONDITIONS FOR DISBURSEMENT**

##### **6.1 Conditions precedent for disbursement to the Issuer**

- (a) Payment of the net proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
  - (i) these Bond Terms duly executed by all parties hereto;
  - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
  - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
  - (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
  - (v) copies of the Issuer's latest Financial Reports (if any);
  - (vi) confirmation that the applicable prospectus requirements (ref the EU prospectus directive (2003/71 EC)) concerning the issuance of the Bonds have been fulfilled;

- (vii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
  - (viii) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
  - (ix) the Bond Trustee Fee Agreement duly executed by the parties thereto; and
  - (x) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

## 6.2 Distribution

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (b) of Clause 6.1 above.

## 6.3 Tap Issues

The Issuer may issue Additional Bonds if:

- (a) the Bond Trustee has executed a Tap Issue Addendum; and
- (b) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds.

## 7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) at the date of these Bond Terms;
- (b) at the Issue Date; and
- (c) at the date of issuance of any Additional Bonds:

### 7.1 Status

The Issuer is a limited liability company, duly incorporated and validly existing under the law of the jurisdiction in which it is registered, and has the power to own its assets and carry on its business as it is being conducted.

**7.2 Power and authority**

The Issuer has the power to enter into and perform, and has taken all necessary corporate action to authorise its entry into, performance and delivery of these Bond Terms and any other Finance Documents to which it is or will be a party, and the transactions contemplated by those Finance Documents.

**7.3 Valid, binding and enforceable obligations**

These Bond Terms and any other Finance Document constitute (or will constitute, when executed by the Issuer) the legal, valid and binding obligations of the Issuer, enforceable in accordance with their 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 the Issuer.

**7.4 Non-conflict with other obligations**

The entry into and performance by the Issuer of these Bond Terms 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 present law or regulation or present judicial or official order applicable to the Issuer under its jurisdiction of incorporation or under the jurisdiction of any of its assets; (ii) its articles of association, by-laws or other constitutional documents; or (iii) any document or agreement which is binding on the Issuer or any of its assets.

**7.5 No event of default**

No 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 any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

**7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarisations or registrations required:

- (i) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms 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 these Bond Terms,

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

**7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

**7.8 Financial Statements**

Its most recent consolidated 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 from one year to another.

**7.9 No Material Adverse Effect**

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

**7.10 No misleading information**

Any factual information provided by it to the subscribers or the Bond Trustee for the purposes of the issuance of the Bonds 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.

**7.11 Environmental compliance**

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.

**7.12 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 (on behalf of the Bondholders) or the Bondholders under these Bond Terms.

**7.13 Pari passu ranking**

The Issuer's payment obligations under these Bond Terms or any other Finance Document to which it is a party rank at least as set out in Clause 0 (*Status of the Bonds*).

**7.14 Encumbrances**

No Security exist over any of the present assets of any Group Company in conflict with these Bond Terms.

**8. PAYMENTS IN RESPECT OF THE BONDS****8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.

- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. 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.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.

## **8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.

## **8.3 Partial Payments**

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
  - (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
  - (i) the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*), or
  - (ii) as a result of a resolution according to Clause 15 (*Bondholders' decisions*).

#### **8.4 Taxation**

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) 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 shall not be responsible for reimbursing any such fees.

#### **8.5 Currency**

- (a) All amounts payable under the Finance Documents shall be payable in the denomination of the Bonds set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*). If, however, the denomination differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

#### **8.6 Set-off and counterclaims**

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

### **9. INTEREST**

#### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.

- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with Clause 9.1 (a) above.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

## 9.2 Margin Step-Up

The Margin shall be increased with the Margin Step-Up on the Interest Payment Date in March 2025 (so that the aggregate Margin thereafter shall be 11.5%).

## 9.3 Payment of interest

Subject to Clause 9.4, interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest (including, for the avoidance of doubt, any accrued unpaid Deferred Interest) on the principal amount then due and payable, on each Repayment Date.

## 9.4 Deferral of interest

- (a) The Issuer may, at any time and in its sole discretion, elect to defer (in whole but not in part) any interest payment (“**Deferred Interest**”) which is otherwise scheduled to be paid on an Interest Payment Date by giving notice (a “**Deferral Notice**”) of such deferral to the Bond Trustee. Any such deferral of an interest payment shall not constitute a default or any other breach of the obligations of the Issuer under these Bond Terms.
- (b) The Issuer shall submit any Deferral Notice to the Bond Trustee and the Paying Agent as soon as practicable and no less than 10 Business Days prior to the relevant Interest Payment Date. Such notice shall be irrevocable.
- (c) Any Deferred Interest shall not bear interest and shall not be added to the Nominal Amount of the Bonds. Any Deferred Interest will be provided with a separate ISIN in accordance with the procedures in the CSD. The ISIN for any Deferred Interest will not have voting rights under these Bond Terms and will be subject to Bondholders’ decisions made in any Bondholders Meeting.
- (d) The Issuer shall pay all outstanding Deferred Interest on the earlier of:
  - (i) the next Interest Payment Date on which the Issuer has not elected to defer the interest payable;
  - (ii) any Call Option Repayment Date;
  - (iii) the date on which liquidation proceedings are formally opened with respect to the Issuer or the date on which the Issuer is otherwise dissolved (unless such dissolution is done for the purpose or as a result of a merger where the Issuer is

still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer).

## **10. REDEMPTION AND REPURCHASE OF BONDS**

### **10.1 No maturity or instalments**

The Bonds are not subject to any mandatory instalments or scheduled maturity.

### **10.2 Voluntary early redemption - Call Option**

- (a) The Issuer may redeem all but not only some of the Outstanding Bonds (the “**Call Option**”):
  - (i) on any Business Day from and including the First Call Date to, but not including, the second Interest Payment Date thereafter, at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond; and
  - (ii) on the second Interest Payment Date after the First Call Date and on any subsequent Interest Payment Date thereafter, at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to Clause 10.1 (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

### **10.3 Voluntary early redemption – Conditional Call Option**

- (a) The Issuer may redeem all but not only some of the Outstanding Bonds (the “**Conditional Call Option**”) on any Business Day upon the occurrence of an Accounting Event, a Substantial Repurchase Event, a Tax Event or a Withholding Tax Event:
  - (i) at a price equal to 101 per cent. of the Nominal Amount for each redeemed Bond prior to the First Call Date; and
  - (ii) at a price equal to 100 per cent. of the Nominal Amount for each redeemed Bond in the period thereafter.
- (b) Any redemption of Bonds pursuant to Clause 10.1 (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Conditional Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

#### **10.4 Early redemption due to a Change of Control**

- (a) Upon the occurrence of a Change of Control Event, the Issuer may redeem all but not only some of the Outstanding Bonds (the “**Change of Control Call Option**”) on any Business Day at a price equal to 101 per cent. of the Nominal Amount for each redeemed Bond.
- (b) The Change of Control Call Option may be exercised by the Issuer by written notice to the Bond Trustee no less than 30 and no more than 60 days' prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date, which date shall no later than 60 days following the occurrence of the Change of Control Event.
- (c) In the event that the Issuer does not elect to redeem the Bonds in accordance with the Change of Control Call Option described above, the then prevailing Margin (and any adjusted Margin following any Margin Step-Up) shall be increased by 5.00 percentage points per annum with effect from (and including) the day immediately following the date when the Change of Control Event occurred (the "**CoC Margin Step-Up**"), provided that the CoC Margin Step-Up shall not apply during periods where the Issuer has given notice to the Bond Trustee that the Issuer's long-term unsubordinated and unsecured publicly traded credit of the Issuer is rated as Investment Grade by any Rating Agency (such notice to be accompanied by a copy of the relevant Investment Grade rating).

#### **10.5 Voluntary early redemption – Replacement Capital Event**

- (a) The Issuer may redeem all but not only some of the Outstanding Bonds (the “**Replacement Capital Call Option**”) on any Business Day upon the occurrence of a Replacement Capital Event at a price equal to 103 per cent. of the Nominal Amount for each redeemed Bond.
- (b) The Replacement Capital Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

### **11. PURCHASE AND TRANSFER OF BONDS**

#### **11.1 Issuer’s purchase of Bonds**

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer’s sole discretion.

#### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Reports**

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 180 days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 60 days after the end of the relevant interim period.

### **12.2 Requirements as to Financial Reports**

The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using GAAP consistently applied.

### **12.3 Change of Control Event**

The Issuer shall inform the Bond Trustee in writing as soon as possible after becoming aware that a Change of Control Event has occurred and, in the event that the Issuer does not elect to redeem the Bonds in accordance with the Change of Control Call Option, whether the Issuer's long-term unsubordinated and unsecured publicly traded credit of the Issuer is rated or at any time thereafter ceases to be rated as Investment Grade by any Rating Agency.

### **12.4 Information: Miscellaneous**

The Issuer shall:

- (a) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (b) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (c) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (d) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (e) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

## 13. UNDERTAKINGS

### 13.1 General

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time, if failure so to comply would have a Material Adverse Effect.

### 13.2 Dividend restriction

The Issuer may not declare or make any dividend, interest, other distributions or payment in respect of any Junior Obligations or Parity Obligations as long as:

- (i) any amount of Deferred Interest remains outstanding; or,
- (ii) the Issuer has delivered a Deferral Notice with respect to an upcoming Interest Payment Date.

## 14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

### 14.1 No Events of Default

The Bonds are not subject to any event of default provisions. Neither the Bond Trustee nor the Bondholders may declare any event of default by the Issuer of any of its obligations under these Bond Terms (neither on a contractual basis nor on the basis of general principles of Norwegian law). The Bond Trustee may only demand repayment of the Bonds on (i) the date on which liquidation proceedings are formally opened with respect to the Issuer ("**Liquidation Date**") or (ii) the date on which the Issuer is otherwise dissolved (unless such dissolution is done for the purpose or as a result of a merger where the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) ("**Dissolution Date**", and together with Liquidation Date referred to as an "**Acceleration Event**").

### 14.2 Acceleration of the Bonds

Upon the occurrence of an Acceleration Event, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

### 14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the serving of a Default Notice.

#### **14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the date when the Default Notice was served by the Bond Trustee. However, if the situations described in (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

### **15. BONDHOLDERS' DECISIONS**

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

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) 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.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to Clause 17.1 (*Procedure for amendments and waivers*) paragraph (a), section (i) and (ii), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

#### **15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:

- (i) the Issuer;
- (ii) Bondholders representing at least 1/10 of the Voting Bonds;
- (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
- (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder,

shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### 15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.

- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

#### **15.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (d) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (d) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

#### **15.5 Written Resolutions**

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholder's Meeting*), Clause 15.3 (*Voting Rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:

- (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
- (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5 (*Written Resolution*),

shall not apply to a Written Resolution.

- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the “**Voting Period**”), which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders’ rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or paragraph (f) of Clause 15.1 (*Authority of Bondholders’ Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) 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 these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the

Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

## **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Acceleration Event has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Acceleration Event has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee will ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Bonds or other situations.

### **16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

### **16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts;
  - or

- (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will 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 and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, 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 issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Acceleration Event, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Acceleration Event or (ii) a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Acceleration Event, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. 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, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

## **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

**17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

**17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with Clause 17.1(a)(i) (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

**18. MISCELLANEOUS****18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

**18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

**18.3 Notices, contact information**

Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (a) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (b) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (c) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter, e-mail or fax. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received;
  - (iii) if by fax, when received; and
  - (iv) if by publication on a relevant information platform, when published.
- (d) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- (e) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
  - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
  - (ii) if the deadline is set out in weeks, months or years, the deadline will 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 will be the last day of such month; and
  - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### 18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");

- (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
- (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

- (A) the Issuer will be relieved from its obligations under Clause 12.2 (*Requirements as to Financial Reports*) paragraph (a), Clause 12.3 (*Change of Control Event*), Clause 12.4 (*Information: Miscellaneous*) and Clause 13 (*General undertaking*).
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

## **19. GOVERNING LAW AND JURISDICTION**

### **19.1 Governing law**

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

### **19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

### **19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and

- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

**SIGNATURES:**

**Ocean Yield ASA**  
As the Issuer:

**Nordic Trustee AS**  
As Bond Trustee:



By: Eirik Eide

Position: Attorney-in-fact

By:

Position:

- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

**SIGNATURES:**

**Ocean Yield ASA**  
As the Issuer:

.....

By:

Position:

**Nordic Trustee AS**  
As Bond Trustee:

**NORDIC TRUSTEE AS**  
*Jørgen Andersen*  
Jørgen Andersen

By:

Position: