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To the bondholders in:

ISIN: NO 001 0672702 - Highclere Holdings Limited Senior Secured Callable Bond Issue 2013/2015

Oslo, 27 November 2014

Summons to Bondholders' Meeting

1. INTRODUCTION

Nordic Trustee ASA (formerly known as Norsk Tillitsmann ASA) (the “**Bond Trustee**” or “**Nordic Trustee**”) acts as bond trustee for the holders (the “**Bondholders**”) of the Senior Secured Callable Bond Issue 2013/2015 (the “**Bonds**”) issued by Highclere Holdings Limited (the “**Issuer**” or the “**Company**”) and guaranteed by Highclere Limited (the “**Guarantor**”, and together with the Company, the “**Highclere Group**”).

All capitalised terms used but not otherwise defined herein shall have the meanings assigned to them in the bond agreement for the Bonds (the “**Bond Agreement**”) between the Company and the Bond Trustee dated 25 February 2013 (as amended and restated from time to time).

Bondholders are encouraged to carefully read this summons in its entirety.

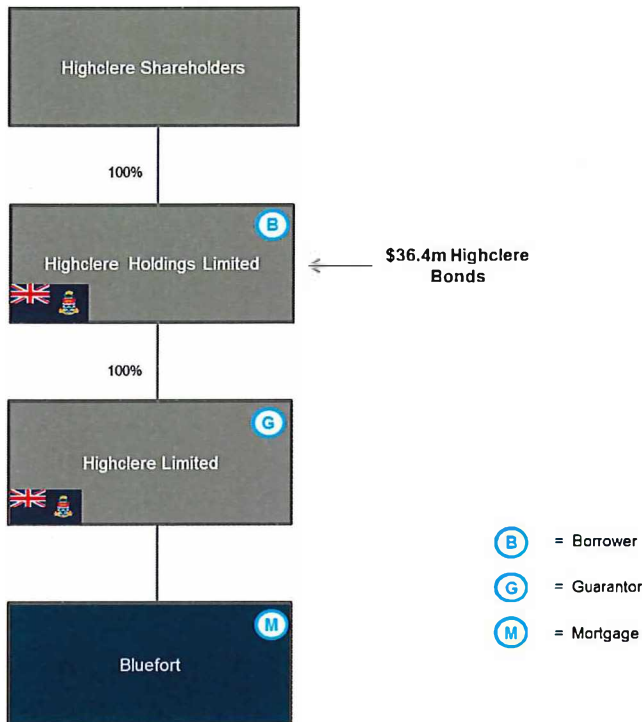
The information in this summons regarding the Issuer, the Vessel Sale and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

2. BACKGROUND

On 25 February 2013, the Company issued Initial Bonds to the Bondholders in an aggregate principal amount of USD 20,000,000. The proceeds of the issue of Initial Bonds were applied, *inter alia*, to fund the purchase of the Vessel by means of a judicial private treaty sale in Gibraltar and in order to fund the working capital requirements of the Highclere Group. On 25 July 2013, the Company issued Additional Bonds to the Bondholders in an aggregate principal amount of USD 8,250,000 by means of a first tap issuance in accordance with Clause 2.5 of the Bond Agreement. On 2 December 2013, the Company issued further Additional Bonds to the Bondholders in an aggregate amount of USD 8,145,333 by means of a second tap issuance, again, in accordance with Clause 2.5 of the Bond Agreement.

As a result, the total principal amount of Bonds issued pursuant to the Bond Agreement as of the date of this summons is USD 36,395,333. The proceeds of the tap issuances were used to fund additional working capital requirements of the Highclere Group and, in particular, to fund repair and improvement works to the Vessel. Pursuant to Clause 2.5 of the Bond Agreement, the Company has headroom to issue further Additional Bonds in an aggregate principal amount of USD 17,604,667.

By way of reminder, the Highclere Group structure is as follows:



As the Bondholders will recall, the Bonds are guaranteed by Highclere Limited, and are secured by:

- First preferred Marshall Islands law governed mortgage over the Vessel (the “**Mortgage**”);
- First ranking Cayman Islands law governed floating charge granted by the Company;
- First ranking Cayman Islands law governed share charge over the shares in the Guarantor;
- First ranking Norwegian law governed account pledge granted by the Company; and
- First ranking Cayman Islands law governed deed of assignment over intercompany loans granted by the Company and the Guarantor,

(as amended from time to time, together, the “**Bond Security**”).

The Vessel is currently located in Naples and is presently under the care and control of a third-party technical manager.

3. VESSEL SALE

Over the past months, the Company, the Guarantor, its advisors and third-party brokers have been actively seeking the employment and/or sale of the Vessel and have advanced discussions with a purchaser (the “**Purchaser**”), who is willing to purchase the Vessel in its present status for USD 12 million (the “**Vessel Sale**”). In the circumstances, the board of directors of the Company supports the Vessel Sale. Under the terms of the agreement for the sale of the Vessel (the “**Sale Agreement**”), the sale of the Vessel will be completed within 30

business days of the date of the Sale Agreement unless the Sale Agreement is extended by an additional 30 business day period by the Purchaser (in which case the Purchaser will be required to contribute an additional payment of USD 500,000 in consideration for such an extension). In connection with the Vessel Sale, the Bondholders will be required to approve such Vessel Sale at the forthcoming Bondholders' Meeting, and 75% of the shareholders of the Company will also need to approve the Vessel Sale.

The Company has informed the Bond Trustee that it has discussed the Offer with a group of large Bondholders who together hold in excess of (i) 66 2/3% of the Outstanding Bonds and (ii) 75% of the issued shares in the Company (the "**Supportive Bondholders**") who have agreed to support the Vessel Sale and the Proposed Transaction (as defined below) as soon as possible and shall vote in favour of the Proposal at the Bondholders' Meeting.

The Vessel is the only asset of the Highclere Group, and once the Vessel has been sold, there are no other sources of recovery under the Bonds. Therefore, the proposal is for the Guarantor to sell the Vessel to the Purchaser and for the Company to distribute (a) the net cash proceeds of the Vessel Sale after payment of any fees, costs and expenses related to the Vessel Sale (the "**Net Proceeds**") and (b) any remaining funds available to the Highclere Group, less the Holdback (as defined below) by means of a partial repayment of the Outstanding Bonds (the "**Partial Repayment**"). As soon as possible after the Partial Repayment, the proposal is for the Company and Guarantor to be voluntarily liquidated (on a solvent basis) in the Cayman Islands (the "**Solvent Liquidations**"). The costs associated with insolvent liquidations in the Cayman Islands are significantly higher than those associated with solvent liquidations and therefore it is in the interests of all Highclere stakeholders for the Company and Guarantor to be liquidated on a solvent basis. It will therefore be necessary for (a) the Bondholders to release any outstanding bond claim that they may have against the Company and Guarantor following the Partial Repayment, and (b) the Highclere Group to retain an amount sufficient to pay the costs and expenses incurred in pursuing the solvent liquidation, which will be a fixed amount not to exceed USD 50,000 (the "**Holdback**").

In order for the Vessel Sale to be implemented, the mortgage over the Vessel will need to be released upon closing of the Vessel Sale. Therefore, it is proposed that the mechanics for the Vessel Sale are as follows (together, the "**Proposed Transaction**"):

1. The Guarantor and Purchaser shall enter into definitive documentation in relation to the Vessel Sale which shall anticipate the closing mechanics as set out in this Summons.
2. The Proposal in this Summons shall be approved by Bondholders representing at least 66 2/3% of the Bonds present and voting at the duly convened Bondholders' Meeting, and at least 75% of the shareholders of the Company.
3. Upon closing of the Vessel Sale, the following shall occur simultaneously:
 - a. The Purchaser shall pay the purchase price for the Vessel to the Guarantor; and
 - b. The Bond Trustee (on behalf of the Bondholders) shall release the Mortgage over the Vessel.
4. As soon as possible thereafter, the following shall occur simultaneously:

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- a. The Company shall make the Partial Repayment to the Bondholders (the Net Proceeds will be upstreamed from the Guarantor to the Company in partial repayment of an outstanding intercompany loan);
 - b. The Bond Trustee (on behalf of the Bondholders) shall release all outstanding Bond Security;
 - c. The Bond Trustee (on behalf of the Bondholders) shall release the Company and Guarantor from any outstanding bond claim following the Partial Repayment; and
 - d. The Bond Trustee (on behalf of the Bondholders) shall provide a release in favour of the Company's and Guarantor's respective directors and advisers of all and any claims with respect to matters set forth in this Summons, the consummation of the Vessel Sale and the Partial Repayment.
5. As soon as possible thereafter, the Company and Guarantor shall proceed with the Solvent Liquidations and shall fund the costs and expenses incurred in this exercise using the Holdback.

If the Bondholders do not approve the Proposal then the Vessel Sale will not be capable of implementation.

4. PROPOSAL

Based on the foregoing, the Company has requested that the Bond Trustee put forward the following proposal (the "Proposal"):

"The Bond Trustee is hereby authorised and instructed to:

1. *Consent to the Proposed Transaction;*
2. *Enter into and execute any such agreements, letters, powers of attorney, deeds and/or notices necessary or advisable (in the absolute discretion of the Bond Trustee) in order to implement the Proposed Transaction.*
3. *Release the Bond Security in accordance with the Proposed Transaction mechanics in order to implement the Vessel Sale and the Solvent Liquidations;*
4. *Execute a release in favour of the Company and Guarantor of any outstanding bond claim that may be due following the Partial Repayment;*
5. *Approve the Solvent Liquidations; and*
6. *Execute a release in favour of the Company's and Guarantor's respective directors and advisers, of all and any claims with respect to the matters set forth in this Summons, the consummation of the Vessel Sale and the Partial Repayment*

5. EVALUATION OF THE PROPOSAL

To enable the Issuer to implement the Proposed Transaction, the Issuer has requested the Bond Trustee to summon a Bondholders' meeting to consider the approval of the Proposed Transaction.

The request is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. The Bondholders must independently evaluate whether the proposed changes are acceptable.

Bondholders' meeting:

Bondholders are hereby summoned to a Bondholders' meeting:

Time: 5 December 2014 at 13:00 hours (Oslo time),
Place: The premises of Nordic Trustee ASA,
Haakon VII's gt 1, 0161 Oslo – 6th floor

Agenda:

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Request for adoption of proposal:

It is proposed that the Bondholders' meeting resolve the following:

“The Bond Trustee is hereby authorised and instructed to:

1. *Consent to the Proposed Transaction;*
2. *Enter into and execute any such agreements, letters, powers of attorney, deeds and/or notices necessary or advisable (in the absolute discretion of the Bond Trustee) in order to implement the Proposed Transaction.*
3. *Release the Bond Security in accordance with the Proposed Transaction mechanics in order to implement the Vessel Sale and the Solvent Liquidations;*
4. *Execute a release in favour of the Company and Guarantor of any outstanding bond claim that may be due following the Partial Repayment;*
5. *Approve the Solvent Liquidations; and*
6. *Execute a release in favour of the Company's and Guarantor's respective directors and advisers, of all and any claims with respect to the matters set forth in this Summons, the consummation of the Vessel Sale and the Partial Repayment*

Nordic Trustee is given a power of attorney to enter into all necessary agreements, letters, deeds and notices necessary or advisable (in the absolute discretion of Nordic Trustee) in connection with decisions made at the bondholders' meeting as well as to carry out all necessary completion work.

To approve the above resolution, Bondholders representing at least (i) 2/3 of the Bonds represented in person or by proxy at the duly convened meeting must vote in favour of the resolution. In order for the meeting to be quorate, (i) at least 5/10 of the voting Bonds must be represented at the meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged and the Proposed Transaction will not be implemented.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the bondholders' meeting. (If the bonds are held in custody – i.e. the owner is not registered directly in the VPS – the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise the Nordic Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee to vote, must then be returned to Nordic Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post – please see the first page of this letter for further details).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the bondholders' meeting, either in person or by proxy other than to Nordic Trustee, to notify Nordic Trustee by telephone or by e-mail (www.mail@trustee.no) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely
Nordic Trustee ASA


Fredrik Lundberg

Enclosed: Bondholder's Form