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To the bondholders in:

ISIN: NO 001 070418.2 - 12 per cent. Norshore Atlantic B.V. Callable Bond Issue 2014/2018

Oslo, 21 July 2015

Summons to Bondholders' Meeting – Proposal to consent to the proposed restructuring

Nordic Trustee ASA is appointed as trustee (the "**Bond Trustee**") for the above mentioned bonds (the "**Bonds**") with Norshore Atlantic B.V. as issuer (the "**Issuer**").

Capitalized terms used herein shall have the meaning assigned to them in the bond agreement dated 20 February 2014 (the "**Bond Agreement**"), unless otherwise stated herein.

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

1 BACKGROUND

- 1.1 The Issuer is a drilling contractor headquartered in Bergen, Norway. Its aim is to support global oil and gas production by providing innovative and cost efficient services from environmental friendly multi purpose drilling vessels to oil companies around the world (source: Issuer's web page).
- 1.2 The decline in oil prices and resulting cautious spending by oil companies has negatively impacted the Issuer's business opportunities. During the first half of 2015, the contract periods for the Issuer's multipurpose drilling vessel, Norshore Atlantic (the "**Vessel**") have been shorter and the Vessel's idle time has increased, adversely affecting cash flow and the Issuer's cash position.
- 1.3 As a result of the deterioration in its financial performance, a number of Events of Default have occurred pursuant to section 16.1(b) of the Bond Agreement, due to (i) the breach of the Retention Account covenant, as set out at Clause 13.5 (b) (i) (*Maintenance and service of Accounts covenants*) of the Bond Agreement, (ii) a breach of the Minimum free liquidity covenant, as set at Clause 13.4 (a) (i) (*Financial Covenants*) of the Bond Agreement, and (iii) failure to make its Financial Statements available on its website pursuant to Clause 13.2.1 (c) (*Information Covenants*) of the Bond Agreement.
- 1.4 Since April 2015, the Issuer and its advisors have been in discussions with a group of Bondholders that in aggregate beneficially own more than 50% of the Bonds (the "**Ad-hoc Committee**") in order to agree a financial restructuring of the financial liabilities (including the Bonds) of the Issuer and Norshore Holding AS, the 100% shareholder of the Issuer (the "**Parent**").

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- 1.5 The Issuer, the Parent and the members of the Ad Hoc Committee have now agreed the terms of a financial restructuring of the Issuer and the Parent as described below and in the appendixes hereto (the “**Proposed Restructuring**”).

2 SUMMARY OF THE PROPOSED RESTRUCTURING

- 2.1 In summary, the Proposed Restructuring will involve the following steps, which are described in more detail below and in the term sheet appended to this Bondholder Summons (the “**Term Sheet**”):
- (a) the establishment of NSA Bondco Limited, a Cayman Islands incorporated company (the “**Vessel Owner**”) as a wholly owned subsidiary of NT Refectio XII AS (“**Refectio**”), which in turn is a single purpose company incorporated in Norway and held by Stiftelsen NTM Refectio, a non-profit foundation established by the Bond Trustee for the purpose of acquiring assets in connection with the management of bond loans;
 - (b) the sale of the Vessel and the BOP Equipment (as defined below) to the Vessel Owner, together with the transfer to the Vessel Owner of an amount equal to USD17.8 million (the “**Sale**”);
 - (c) immediately following the completion of the Sale, the lease back of the Vessel and the BOP Equipment to Norshore Management AS (the “**Lease Back**”). The charter hire payments that Norshore Management AS is required to make under the terms of the Lease Back include the payment, on the closing date of the Proposed Restructuring (the “**Closing Date**”), of USD2.55 million (assuming a Closing Date of 5 August 2015) as further described in paragraph 4.1(a)(i) below);
 - (d) the redemption of all outstanding Bonds as consideration for the Sale;
 - (e) the release (to the extent legally and practically possible) all claims (the “**Claims**”) against the Issuer and the Parent including those relating to the vendor loan agreement between Otto Marine Limited (the “**Yard**”) and the Issuer dated 28 February 2014 (the “**Yard Loan**”); and
 - (f) the distribution to each Bondholder of a portion, *pro rata* to its beneficial ownership of the Bonds, of USD150 million new senior secured notes issued by the Vessel Owner (the “**Consideration Bonds**”).
- 2.2 The total cash payments made to the Vessel Owner on the closing date of the Proposed Restructuring (assuming a Closing Date of 5 August 2015) will be USD20.35 million.
- 2.3 Immediately following the closing of the Proposed Restructuring, the Vessel Owner intends to apply approximately USD19 million (assuming a Closing Date of 5 August 2015) to tender for Consideration Bonds using a reverse Dutch auction procedure.
- 2.4 On the Closing Date (assuming a Closing Date of 5 August 2015) Norshore Management will be required to deposit an amount equal to USD2.9 million (the “**Collateral Amount**”) in a blocked account secured in favour of the Vessel Owner (the “**Collateral Account**”). The Collateral Amount will consist of:
- (a) USD1.7 million which may only be used to make certain charter hire payments in connection with the Lease Back; and

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- (b) USD1.2 million which will be released to the Issuer either (i) upon the deemed delivery to the Vessel Owner of the BOP Equipment, or (ii) to fund payment instalments for the BOP Equipment.
- 2.5 Following the completion of the Proposed Restructuring, the payments of all costs associated thereto and the deposit of the Collateral Amount in the Collateral Account (assuming a Closing Date of 5 August 2015) the Parent and its subsidiaries will be left with approximately USD9 million of unrestricted cash, (the “**Free Cash**”). The directors of the Issuer expect that the Free Cash will leave the Group (as defined below) with sufficient liquidity to fund the operation and maintenance of the Vessel while it continues to work to secure employment contracts for the Vessel. An update on the Company’s current trading performance is attached to the Summons in Appendix 2.
- 2.6 Bondholders that beneficially own more than 66^{2/3}% of the Voting Bonds (including each member of the Ad Hoc Committee) have signed undertakings pursuant to which they have undertaken to vote in favour of the Proposal (as defined below).

3 THE SALE

- 3.1 Pursuant to the terms of the Sale and subject to customary conditions precedent, on the closing date of the Proposed Restructuring (the “**Closing Date**”), the Vessel Owner will purchase from the Issuer (free and clear of all encumbrances) (i) the Vessel and all related equipment; and (ii) the well control equipment known as the blow out preventer (the “**BOP Equipment**”). The Sale is described in more detail in Part 1 of Section A of the Term Sheet.
- 3.2 In conjunction with the purchase of the Vessel and the BOP Equipment, the Issuer will transfer to the Vessel Owner and amount in cash equal to USD17.8 million.
- 3.3 The Vessel will be delivered to the Vessel Owner on the Closing Date. As the on-going upgrade of the BOP Equipment will not be completed on the Closing Date, the BOP Equipment will be delivered as soon as it is capable of being delivered. Given the delayed delivery of the BOP Equipment the amount of USD1.2 million will be deposited in the Collateral Account on the Closing Date and only be released to the Issuer upon either (i) the final delivery of the BOP Equipment, or (ii) to fund payment instalments for the BOP Equipment.
- 3.4 As consideration for the Sale the Vessel Owner will procure the release of all claims against the Company and the Parent in connection with the Bonds (including the release of security granted in favour of the Existing Bonds).
- 3.5 On the Closing Date it is intended (to the extent legally and practically possible) that all Claims, but always including the Yard Loan (and related security against the Vessel) against the Issuer will be released and converted into equity in the Parent or otherwise satisfied. In connection with the release of the Yard Loan, the Parent’s largest shareholder, Ocean Champion Holding Limited (“**Ocean Champion**”) will be granted a six month option to purchase the Vessel. The terms of Ocean Champion purchase option are further described in Part 3 of Section A of the Term Sheet.

4 THE LEASE BACK

- 4.1 The Lease Back will involve the Vessel Owner leasing the Vessel and BOP Equipment to Norshore Management for a period of 5 years (the “**Charter**”). The terms of the Charter

are further described in Part 2 of Section A of the Term Sheet. The principal terms of the Charter are set out below:

- (a) **Charter Hire:** Pursuant to the terms of the Charter, Norshore Management shall pay to the Vessel Owner the following amounts (the “**Charter Hire**”):
 - (i) an amount equal to the rates referred to in (ii) below for the period from 1 May 2015 until the Closing Date, payable on the Closing Date (the “**Initial Charter Hire Payment**”). This will amount to USD2.55 million assuming a Closing Date of 5 August 2015;
 - (ii) for the period commencing on the Closing Date and ending on the date that falls six months after the Closing Date (the “**Initial Period**”) a rate of USD50,000 per day payable monthly in arrears as follows:
 - (A) USD50,000 per day in cash when the Vessel is on contract;
 - (B) USD25,000 per day in cash and USD 25,000 payment in kind which shall (on the relevant Charter Hire payment dates) be added to the overall charter obligation when the Vessel is off contract; and
 - (iii) following the expiration of the Initial Period the rate of USD50,000 per day in cash.
- (b) **Security:** As security for payment of Charter Hire during the Initial Period, Norshore Management shall deposit an amount equal to USD1.7 million into the Collateral Account (assuming a Closing Date of 5 August 2015). This amount may only be used to make the cash payment of USD25,000 per day Charter Hire when the Vessel is off contract.
- (c) **Profit Share:** The Charter shall also include a profit share arrangement, whereby the Vessel Owner shall be entitled to 50% of the profit of the Parent and certain of its subsidiaries (including Norshore Management) after the date on which USD20 million in positive working capital has been achieved.
- (d) **Guarantees:** Norshore Management’s obligations under the Charter will be guaranteed by the Parent (as further described in the Term Sheet).
- (e) **Covenants:** The Charter will contain restrictive covenants customary for charters of this type and on similar terms to those contained in the Bond Agreement. The Charter will also contain a minimum liquidity covenant.
- (f) **Board Representation:** For the duration of the Charter the Vessel Owner shall have the right to nominate one person to the board of directors of the Parent (the “**Board Representative**”).
- (g) **Purchase Option:** For the duration of the Charter, Norshore Management shall have the option to acquire the Vessel and the BOP Equipment on terms and at a price described in the Term Sheet.

5 THE CONSIDERATION BONDS

- 5.1 The Consideration Bonds will be issued by the Vessel Owner. The Vessel Owner is Cayman Islands incorporated entity created for the purpose of owning the Vessel. It will

be directly 100% owned by Refectio on a non-profit basis. The governance of the Vessel Owner will be tailored to:

- (a) ensure that holders of the Consideration Bonds are kept apprised of the performance of the Group and Norshore Management's on-going compliance with the terms of the Charter;
- (b) require the directors of the Vessel Owner to seek guidance from an advisory committee consisting of beneficial owners of at least 50% of the Consideration Bonds (the "**Advisory Committee**");
- (c) restrict the Vessel Owner from taking any action in connection with the Vessel or the Charter without the consent of holders of at least 66^{2/3}% of the Consideration Bonds; and
- (d) delegate certain of the directors functions relating to the management of the Vessel Owner and interaction with Consideration Bondholders to AMA Capital Partners.

5.2 It is intended that immediately following the Closing Date, the Vessel Owner will apply the amount of approximately USD19 million (being sums received from the Issuer on the Closing Date less costs and USD1 million that will be retained to be applied to the costs of the Vessel Owner in the event of a termination of the Charter) to buy back Consideration Bonds using a pure reverse Dutch auction tender offer procedure.

5.3 The principal terms of the Consideration Bonds are as set out below. It should be noted that the following summary is non-exhaustive and does not provide a detailed overview of the key terms. As such, Bondholders should review the description of the Consideration Bonds set out in Section B of the Term Sheet to fully understand the terms of the Consideration Bonds:

- (a) **Amount:** USD150 million on the Closing Date.
- (b) **Term:** 5 years from the Closing Date.
- (c) **Interest Rate/Profit:** 12% payable in cash or as payment in kind on a pay if you can basis.
- (d) **Cash sweep/Amortisation:** On any interest payment date, any amounts over and above USD1 million after the payment of interest will be applied to either redeem the Consideration Bonds at par on a pro rata basis or conduct a further bond buy back (as decided by the Vessel Owner following consultation with the Advisory Committee).
- (e) **Application of Profit Share proceeds:** Sums received pursuant to the Profit Share shall be paid to Consideration Bondholders as a profit over and above any amounts paid as interest on the Consideration Bonds.
- (f) **Mandatory Prepayment:** The proceeds of any sale of the Vessel (whether pursuant to a purchase option or otherwise) shall be applied to redeem the Consideration Bonds.
- (g) **Security:** The Consideration Bonds shall benefit from security over substantially all of the assets of the Vessel Owner, including (i) the Vessel, (ii) the BOP Equipment; (iii) all bank accounts of the Vessel Owner, (iv) the Vessel Owner's rights under the

Charter (including guarantees in favour of the Charter and all security granted under the Charter).

(h) **Governing Law:** Norwegian

- 5.4 The Consideration Bonds will be allocated, on a pro rata basis of the principal outstanding amount under the Bonds, to the holders of Bonds who are registered as owners of Bonds on a record date (the “**Record Date**”) which will be fixed by the Bond Trustee and VPS. Notification of the Record Date will be posted on www.stamdata.no.
- 5.5 Following completion of the Proposed Restructuring on the terms set out in this Summons, all amounts under the Bonds (including the interest amount accrued thereon due on the Closing Date/Record Date (the “**Interest Accrued**”) will be deemed to be fully discharged and the Bonds (including the Interest Accrued) will be cancelled from VPS as soon as practicable thereafter.

6 **CONDITIONS TO THE PROPOSED RESTRUCTURING.**

- 6.1 Notwithstanding the fact that each element of the Proposed Restructuring is conditional upon the implementation of each of the other elements, as described above, the Proposed Restructuring will be conditional upon:
- (a) receipt by the Bond Trustee at the latest on the Closing Date of a copy of resolutions from the annual general meeting of the Parent in a form satisfactory to it providing that the Parent and the Group will support and implement the Proposed Restructuring (including conversion of the Yard Loan and conversion of other shareholder loans to shares in the Parent (as applicable));
 - (b) receipt by the Bond Trustee at the latest on the Closing Date of documentation in a form satisfactory to it of subordination of any shareholder loans to the Parent (which are not being converted to shares in the Parent) as required pursuant to the Charter;
 - (c) negotiation and agreement of final terms and definitive legal documentation evidencing the transactions contemplated by the Proposed Restructuring, including, without limitation, the documentation required to complete the sale of the Vessel to the Vessel Owner, the Consideration Bonds with related security documents, and the Charter (with related security documents), which documentation will be in form and substance satisfactory to the Bond Trustee (after consultation with its advisers);
 - (d) fulfilment, to the satisfaction of the Bond Trustee, of all conditions precedent set out in any documentation for each transaction comprising the Proposed Restructuring, including but not limited to:
 - (i) the payment by the Issuer of all fees and expenses of the Bond Trustee (including all advisor fees);
 - (ii) the release (to the extent legally and practically possible) of all Claims, including but not limited to all claims relating to the Yard Loan and any security granted in favour of the Yard Loan;
 - (iii) evidence of the on-going solvency of the Issuer following the completion of the Proposed Restructuring;

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- (iv) all amounts required to be deposited in the Collateral Account having been so deposited;
 - (v) all formalities relating to the appointment of the Board Representative to the board of directors of the Parent having been completed;
 - (e) receipt of the approvals of the Bondholders' Meeting of the Proposal in this summons;
 - (f) no member of the Group having entered into any bankruptcy, liquidation, administration, receivership or any other insolvency procedure (or any analogous proceeding in any other jurisdiction), whether voluntary or involuntary; and
 - (g) completion of all transactions comprising the Proposed Restructuring (including having complied with the conditions set out in subsections (a) to (f) above no later than 31 August 2015 and where a failure to comply with any of these requirements shall render any resolution by the Bondholders' Meeting to accept the Proposed Restructuring null and void.

6.2 The requirements under clause 6.1 above shall be further outlined in a closing memo setting out the procedure and timing of the delivery of the relevant documents, including execution and registration of the Security (as applicable) and where the timing for delivery of the above documentation may be changed in accordance with the terms of a closing memo in form and content satisfactory to the Bond Trustee.

6.3 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set out in Clause 6.1.

7 THE PROPOSAL

7.1 Based on the above, the Issuer hereby proposes to the Bondholders that they approve the terms of the Proposed Restructuring in its entirety (the "**Proposal**").

7.2 The Bondholders further authorise the Bond Trustee to enter into such agreements and documents, consent to such waivers and amendments, take any actions and do all such things on behalf of the Bondholders as may be necessary or desirable to support or give effect to the Proposal (and any transaction to be made as part of the Proposed Restructuring), and/or the exercise of the Bond Trustee's discretion, including, without limitation, amending and/or waiving the terms of the Bond Agreement waiving or amending any terms of the documents relating to the Proposed Restructuring, entering into a new bond agreement on behalf of the Bondholders with respect to the Consideration Bonds, providing all relevant instruction in connection with the issuance of the Consideration Bonds, enter into agreement with NT Refectio XII AS, and agree that neither the Bond Trustee, nor its advisers, nor any members of the Committee shall have any liability whatsoever to any Bondholder or any other person in connection with the Restructuring.

8 NON RELIANCE

The proposals in this summons are presented to the Bondholders without evaluation or recommendation from the Bond Trustee. The Bondholders must independently evaluate whether the above proposals are acceptable.

9 SUMMONS TO THE BONDHOLDERS' MEETING

9.1 Bondholders are hereby summoned to a Bondholders' Meeting:

Time: 4 August 2015 at 13:00 hours (Oslo time)

Place: The premises of Nordic Trustee ASA,
Haakon VII's gt 1, 01061 Oslo - 6th floor

9.2 **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 the Proposal, cf. clause 6 above.

9.3 To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the meeting must vote in favour of the resolution. In order to have a quorum, at least 1/2 of the voting Bonds must be represented at the meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged.

9.4 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.

9.5 The individual Bondholder may authorise the Bond Trustee to vote on its behalf, in which case the Bondholder's Form will also serve as a proxy. A duly signed Bondholder's Form, authorising the Bond Trustee to vote, must then be returned to the Bond 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).

9.6 In the event that the Bonds have been transferred to a new owner after the Bondholder's Form is completed, 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.

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

Yours sincerely
Nordic Trustee ASA



Enclosed: Bondholder's Form

**Appendix 1
Term Sheet**

SECTION A - KEY TERMS OF THE SALE AND LEASE BACK

1 KEY TERMS OF THE SALE

Sale Assets	<p>On the closing date of the Proposed Restructuring (the “Closing Date”) the Vessel Owner will purchase:</p> <ul style="list-style-type: none"> ▪ the Vessel (free and clear of all encumbrances) together with everything belonging to the Vessel that is on board, including all spare parts or spare equipment, plus, whether on board or ashore, all drawings and specifications, operating manuals, all other documents pertaining to the Vessel, save master’s, officers’ and crew’s personal belongings; and ▪ well control equipment known as the blow out preventer (the “BOP Equipment”).
Cash Distribution	<p>In addition to the transfer of the Vessel and the BOP, on the Closing Date the Company shall transfer to the Vessel Owner an amount in cash equal to USD17.8 million (the “Cash Amount”)</p>
Delivery	<p>The Company will deliver to the Vessel Owner the Vessel on the Closing Date.</p> <p>All of the Company’s rights, title, and interest in the BOP Equipment will be transferred to the Vessel Owner on the Closing Date. However, the BOP Equipment will be delivered on the date that the installation of the BOP Equipment is completed. Until the BOP equipment is delivered an amount equal to USD1.2 million (the “BOP Holdback Amount”) will be deposited in the Collateral Account (as defined below). This amount will be released on either (i) the final delivery of the BOP Equipment, or (ii) to fund payment instalments for the BOP Equipment.</p>
Consideration	<p>In consideration for the Sale the Vessel Owner shall procure:</p> <ul style="list-style-type: none"> (i) the release of all claims against the Issuer, the Parent or any of its subsidiaries or affiliates in connection with the Bonds; and (ii) the release of all security granted in favour of the Bonds including (but not limited to) the mortgage over the Vessel and the pledge of the Escrow Account, the Interest Retention Account and the Earnings Account, <p>each in consideration of the issuance of the Consideration Bonds.</p>
Conditions Precedent	<p>The obligation of the Vessel Owner to complete the Sale will be</p>

	<p>subject to customary conditions precedent for transactions of this type and which shall include:</p> <ul style="list-style-type: none"> (i) the Charter being signed and in full force and effect; (ii) the Vessel being safely afloat and physically ready for delivery; (iii) the payment of all fees and expenses of the Bond Trustee (including all advisor fees); (iv) the transfer (in cleared funds) of the Cash Distribution to the Vessel Owner's Account; and (v) the release of the Yard Loan (and associated security over the Vessel).
Sale Documentation	The Sale shall be governed by a Memorandum of Agreement on customary NSF 2012 terms (with additional clauses) between the Seller and the Vessel Owner for the sale and purchase of the Vessel
Governing law of Sale	English law

2 KEY TERMS OF LEASE

<p>Lease Agreement</p>	<p>On the Closing Date the Vessel Owner will enter into a lease agreement based on the BIMCO charter contract standard (with additional clauses) with Norshore Management AS for a term of 5 years whereby Norshore Management AS (the “Lessee”) will charter the Vessel (the “Charter”).</p>
<p>Charter Hire</p>	<p>The rates payable under the Charter will be as follows (the “Charter Hire”):</p> <ul style="list-style-type: none"> ▪ an amount equal to the equivalent of the rates referred to in the bullet below for the period from 1 May 2015 until the Closing Date, payable on the Closing Date (the “Initial Charter Hire Payment”); ▪ for the period commencing on the Closing Date and ending on the date that falls six months after the Closing Date (the “Initial Period”) the rates shall be equal to USD50,000 per day payable in monthly in arrear as follows: <ul style="list-style-type: none"> (i) USD50,000 per day in cash when the Vessel is on contract; (ii) USD25,000 per day in cash and USD 25,000 payment in kind (“PIK”) which shall be added to the overall bareboat charter obligation when the Vessel is off contract and shall be payable upon the termination or expiration of the Charter; and ▪ following the expiration of the Initial Period the rate shall be equal to USD50,000 per day payable monthly in advance in cash. <p>The amounts paid as PIK in accordance with (ii) above and any other overdue amounts will accrue interest at 12% per annum. Any amounts accrued as PIK can be repaid at any time at the Lessee’s sole discretion.</p>
<p>Profit Share</p>	<p>In addition to the Charter Hire, the Vessel Owner shall be entitled to a 50% share (the “Profit Share”) of any Profit once the Group (as defined below) has achieved USD20 million in positive Working Capital.</p> <p>For the purposes of the Profit Share:</p> <ul style="list-style-type: none"> ▪ “Profit” means, in respect of any financial quarter, the consolidated operating revenue of the Group after the deduction of: <ul style="list-style-type: none"> (i) payments made under the Charter Hire for that

	<p>month;</p> <p>(ii) tax linked to the operation of the Vessel incurred during that month; and</p> <p>(iii) any expenses (including employee expenses) relating directly to the operation or the charter of the vessel to end users, plus allocated overhead in relation to the operation of the vessel, but for the avoidance of doubt excluding any finance cost.</p> <p>▪ “Working Capital” means on any date, Current Assets less Current Liabilities, where:</p> <p>(i) “Current Assets” means the aggregate (on a consolidated basis) of all inventory, work in progress, trade and other receivables of each member of the Group including prepayments in relation to operating items and sundry debtors (but excluding cash and cash equivalent investments) expected to be realised within twelve months from the date of computation as calculated in accordance with GAAP, but excluding amounts in respect of any exceptional, one off, non-recurring or extraordinary items (“Exceptional Items”) and other non-operating items.</p> <p>(ii) “Current Liabilities” means the aggregate (on a consolidated basis) of all liabilities (including trade creditors, accruals and provisions) of each member of the Group expected to be settled within twelve months from the date of computation as calculated in accordance with GAAP, but excluding amounts in respect of:</p> <p>a. any liabilities owed to any member of the Group or affiliates of members of the Group (including for the avoidance of doubt any subordinated shareholder loans or intra group loans); and</p> <p>b. liabilities in respect of the Charter, including if the lease is accounted for as a financial lease, the amortization of the Vessel.</p>
Timing of Lease Payments	During the Initial Period, the Charter Hire (other than the payment due on the Closing Date) shall be payable 10 days after the end of each month. Thereafter the Charter Hire shall be paid monthly in advance (payable 10 days into the previous month). The payments shall always be subject to a two day grace period if non-payment is caused by technical or administrative errors.
Timing of Lease Payments	The Profit Share shall be payable 10 days after the end of each quarter subject to a two day grace period if non-payment is caused by technical or administrative errors.
Guarantees	On the Closing Date, Norshore Holding AS (the “Parent”) shall

	guarantee the obligations of the Lessee under the Charter.
Security	<p>The Vessel Owner shall benefit from third party step in rights over contracts required for the operation of the Vessel (for example, fuel, crew and management contracts for the Vessel), such third party rights to be exercisable on the termination of the lease due to the default of the Lessee.</p> <p>The Vessel Owner shall also benefit from an assignment of any insurance contracts over the Vessel.</p>
Board Representation	<p>Pursuant to the terms of the Charter, the Vessel Owner will be granted the right to nominate one board member of the Parent (or the company in which the operational management control of the Group resides) as long as the Charter is outstanding.</p> <p>It is intended that Ken Becker of AMA Capital Partners be the Vessel Owner nominated board representative.</p>
Deposit Account	<p>On the Closing Date an amount equal to USD4 million less the Initial Charter Hire Payment (but excluding any portion of the Initial Charter Hire Payment relating to a period when the Vessel is on contract) shall be deposited in a “blocked account” of the Lessee (the “Collateral Account”). The Lessee shall only be permitted to use amounts standing to the credit of the Collateral Account (other than the BOP Hold Back Amount) to pay cash Charter Hire payments equal to USD25,000 per day. Assuming a Closing Date of 5 August 2015 the amount to be deposited in the Collateral Account shall be USD1.7 million.</p> <p>For the avoidance of doubt, (i) daily cash payments in excess of USD25,000 per day, (i.e. amounts payable if the Vessel is on contract); and (ii) lease payments accrued as PIK if the Vessel is off contract are not payable from sums standing to the credit of the Collateral Account.</p>
Covenants	<p>Under the terms of the Charter the Vessel Owner shall benefit from the following covenants:</p> <p>Minimum Liquidity</p> <p>Minimum free cash requirement for the Parent and its subsidiaries (other than Non-Recourse Subsidiaries (as defined below)) (the “Group”) of (i) USD1 million with effect from 6 months after the Closing Date, (ii) USD2 million 7 months after Closing Date, (iii) USD3 million 8 months after the Closing Date; (iv) USD4 million 9 months after Closing date, and (v) USD5 million 10 months after the Closing Date (thereafter tested on a monthly basis).</p> <p>Charter Approval</p> <p>The Lessee will not enter into any time charter (or other similar arrangement) for the Vessel of more than 8 months without the consent of the Vessel Owner (such consent not to be unreasonably withheld or delayed), save for the contracts identified in Appendix 2 to this Summons.</p>

Information Covenants

The Group must provide audited annual financial statements no later than 120 days after the end of each financial year.

The Group must provide unaudited consolidated accounts for each financial quarter 60 days after the end of the quarter.

The Group must provide a monthly trading update showing key performance indicators for the Vessel and operations.

Restrictive covenants

Note that the restrictive covenants contained in the Charter are currently under discussion. However, they are expected to include (without limitation) the following clauses substantially in the form set out below:

Pari passu ranking: The Lessee shall ensure that their obligations under the Charter shall at all times rank at least *pari passu* with all other obligations of the Lessee (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of any subordinated debt.

Mergers: Neither the Lessee nor any Group Company shall carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Lessee or any Group Company with any other companies or entities.

De-mergers: Neither the Lessee nor any Group Company shall carry out any de-merger or other corporate reorganization involving a split of the Lessee or any such Group Company into two or more separate companies or entities.

Continuation of business: Neither the Lessee nor any Group Company shall cease to carry on its business, and the Parent shall ensure that no substantial change is made to the general nature of the business of the Parent and the Group from that carried on at the date of this Charter or as set out and permitted under this Charter.

Disposal of business: Neither the Parent nor any other Group Company will sell or otherwise dispose of all or a substantial part of its assets or operations, unless the transaction is carried out at fair market value, on terms and conditions customary for such transactions.

Arm's length transactions: Neither the Lessee nor any other Group Company will enter into any transaction with any person except on arm's length terms and for fair market value.

Corporate status: Neither the Lessee nor any Group Company shall change its type of organization or centre of main interest and no other Group Company shall change its type of organisation (except from a Norwegian private limited liability company to a public limited liability company, or vice versa) or change its jurisdiction of

incorporation without the consent of the Vessel Owner (such consent not to unreasonably withheld or delayed).

Compliance with laws: The Lessee, and each of the other Group Companies will carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time.

Negative pledge: Neither the Lessee nor any Group Company shall create or permit to subsist any security over any of its assets or enter into arrangements having a similar effect except for (i) any security contemplated by the Charter and (ii) any security arising by operation of law.

Financial Indebtedness restrictions: Neither the Lessee nor any other Group Company shall incur, create or permit to subsist any financial indebtedness (including guarantees), other than (i) any financial indebtedness arising under the Charter and (ii) any liabilities incurred in relation to the operation and maintenance of the Vessel in the ordinary course, including the provision of guarantees (or recourse liability to any financial institution for provision of guarantees) not exceeding USD5 million at any one time outstanding; (iii) subordinated shareholder loans; or (iv) intra-group loans.

Financial Support Restrictions: Neither the Lessee nor any other Group Company shall grant any financial support such as loans, guarantees or other financial assistance to any party, other than intra-group loans, provided they are entered into on a fully subordinated basis.

Dividends and other distributions: The Parent shall not declare or make any dividend payment or distribution, whether in cash or in kind, repurchase of shares or make other similar transactions (included, but not limited to total return swaps related to shares in the Lessee), or other distributions or transactions implying a transfer of value to its shareholder(s), nor make any payment or repayment under any shareholder loans;

Investments restrictions: Neither the Charterer nor any other Group Company shall (without the Vessel Owner's prior written consent, such consent not to be unreasonably withheld) make any investments or capital expenditures, other than investments or capital expenditures: (i) required to meet technical requirements of a class society, flag state or other authority or governmental body, or necessary to ensure to compliance with the requirements of the Charter; (ii) necessary for the operation or maintenance of the Vessel or BOP Equipment in the ordinary course (including, for the avoidance of doubt investments or capital expenditures to meet technical requirements under any employment contract and other upgrades of the Vessel required under an employment contract) other than investments or capital expenditures relating to the matters referred to in (i) above, in an aggregate amount not exceeding USD 5,000,000 over the life of the Charter; (iii) required to complete the

	<p>installation of the BOP Equipment; or (iv) investments by the Parent in any New Project which is solely the obligation of a Non-Recourse Subsidiary, provided that such investment is funded through new equity or subordinated shareholder loans.</p> <p>“<i>New Project</i>” means any new build projects or the acquisition of new vessels by a Non-Recourse Subsidiary;</p> <p>“<i>Non-Recourse Subsidiary</i>” means any present or future subsidiary of the Parent, the principal business of which involves the ownership, acquisition, construction, maintenance or operation of a vessel which is not the Vessel which has been or which is intended to be primarily financed by financial indebtedness which is provided on the basis that the provider of such Financial Indebtedness has recourse only to the relevant Non-Recourse Subsidiary and no Group Company has any liability for such Financial Indebtedness.</p>
<p>Termination Events</p>	<p><i>Note that the Charter Termination Events are currently under discussion. However, they are expected to include (but not be limited to) the following clauses substantially in the form set out below:</i></p> <ul style="list-style-type: none"> • Non payments of any Charter Hire amounts or any other sum due under the Charter. • Breach of any obligation under the Charter (or related document) and such breach (if capable of remedy) is not remedied within 10 Banking Days of receipt of notice and request for remedy. • In respect of financial debt of any member of the Group over a total aggregate amount of USD5 million (i) failure to pay amounts when they fall due or (ii) such debt being declared due and payable, and commitment is cancelled or any creditor becomes entitled to declare such debt due and payable. • Any member of the Group becomes insolvent (either on a cash flow or asset basis) or generally suspends payments on its debts. • Any member of the Group entering into insolvency proceedings or similar process to seek protection from its creditors.
<p>Lessee’s Purchase Options</p>	<p>In connection with the Charter, the Lessee shall be granted an option to re-acquire the Vessel (the “Lessee’s Purchase Option”) for cash on a quarterly basis for the first 18 months following the Closing Date and thereafter semi-annually for the duration of the Charter (as defined below).</p> <p>The price payable to exercise the Lessee’s Purchase Option (the “Purchase Option Price”) shall be equal to (calculated on the date of completion of the purchase of the Vessel pursuant to the Seller’s Purchase Option) the sum of (i) USD133.5 million and (ii) amounts accrued as PIK under the lease (the “Base Amount”), such Base amount multiplied by an amount equal to a fixed interest rate of 12% per annum paid on the Base Amount (calculated on a daily basis),</p>

	less amounts paid as cash under the Charter.
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3 RELEASE OF THE YARD LOAN AND OCEAN CHAMPION PURCHASE OPTION

<p>Yard Loan</p>	<p>On or prior to the Closing Date the Yard and any other affiliates or parties holding rights to any of the Yard’s claims on the Vessel shall release all claims against the Issuer, the Parent or any of its subsidiaries or affiliates (and for the avoidance of doubt the Bond Trustee and any Bondholder) in respect of the Yard Loan (including for the avoidance of doubt, its second lien security over the Vessel) in consideration of the issuance of new shares in the Parent to the Yard.</p>
<p>Ocean Champion Purchase Option</p>	<p>On the Closing Date, and subject to the release of the Yard’s claims as contemplated above, Ocean Champion will be granted a purchase option to acquire the Vessel from the Vessel Owner for cash at any time within 6 months after the Closing Date (provided that the Charter has not been terminated) for the Purchase Option Price (the “Ocean Champion Purchase Option”).</p> <p>The Ocean Champion Purchase Option shall be exercised pursuant to the following procedure:</p> <ul style="list-style-type: none"> • Within two weeks of giving notice of its intention to exercise the Ocean Champion Purchase Option, Ocean Champion shall (i) enter into a sale and purchase agreement (based on NSF 2012) with the Vessel Owner (the “SPA”) and (ii) deposit an amount equal to the sum of 5% of Purchase Option Price as calculated on the date of the SPA and 5% of the aggregate PIK amounts that would accrue under the Charter from the date of the SPA until the Ocean Champion Completion Date (as defined below), assuming the Vessel is off contract for the whole period (the “Escrow Amount”) in an escrow account controlled by the Vessel Owner (the “Escrow Account”). • The purchase of the Vessel shall be completed prior to the date that falls six months after the date of the SPA (the “Ocean Champion Completion Date”). On the Ocean Champion Completion Date (i) Ocean Champion shall transfer to the Vessel Owner an amount in cash equal to the Purchase Option Price calculated as at the Ocean Champion Completion Date, less the Escrow Amount, and (ii) the Escrow Amount shall be released to the Vessel Owner. • During the period between the date of the SPA and the Ocean Champion Completion Date, the Charter shall remain in place and the Seller shall continue to be bound by its terms (including the requirement to make Charter Hire payments). If the Lessee fails to pay the Charter Hire under the Charter (including payments relating to insurance and maintenance of class) then Ocean Champion shall pay the Charter Hire on behalf of the Lessee within 5 days of it coming due. If Ocean Champion fails to make such payments within 5 days, or if the Lessee breaches

	any other term of the Charter (and such breach continues to be uncured for a period of 5 business days) then the SPA shall be terminated, the Ocean Champion Purchase Option shall lapse and the amount standing on the Escrow Amount shall be forfeited to the Vessel Owner.
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SECTION B - THE CONSIDERATION BONDS

4 TERMS OF THE CONSIDERATION BONDS

Amount Outstanding	<p>USD150 million on the Issue Date.</p> <p>Immediately following the Closing Date, it is intended that the Vessel Owner will apply the amount of approximately USD19 million (being sums received from the Issuer on the Closing Date less costs and USD1 million (the “Retained Cash”)) to buy back Consideration Bonds using a pure reverse Dutch auction tender offer procedure.</p>
Issue Date	The Closing Date
Issuer	The Vessel Owner
Maturity Date	5 years from the Closing Date
Status	The Consideration Bonds shall be senior obligations of the Issuer and shall rank <i>pari passu</i> amongst themselves
Interest Rate	<p>12% payable in cash on a pay if you can basis.</p> <p>On any Interest Payment Date amounts standing to the credit of the Retention Account (as defined below) other than amounts received pursuant to the Profit Share, in excess of USD1 million (the “Excess Cash”) shall be applied to the payment of interest on the Consideration Bonds.</p> <p>If there is insufficient Excess Cash standing to the credit of the Retention Account on any Interest Payment Date for the Vessel Owner to make any interest payment in full in cash, then the difference between the interest payment due on that Interest Payment Date and the amount of Free Cash shall be accrued as payment in kind interest on the par value of the New Bonds outstanding.</p>
Payment of Interest	Interest shall be payable quarterly on 5 November, 5 February, 5 May and 5 August (assuming a Closing Date of 5 August 2015) of each year (each an “ Interest Payment Date ”).
Cash Sweep/Amortisation	On each Interest Payment Date (and following the payment of all interest payments in cash) any Excess Cash standing to the credit of the Retention Account may be applied to either redeem the Consideration Bonds at par on a <i>pro rata</i> basis or to conduct a further bond buyback (as decided by the Vessel Owner following consultation with the Advisory Committee).
Proceeds of the Profit Share	If the Vessel Owner receives any sums from the Lessee pursuant to the Profit Share, such amounts shall be deposited in the Retention Account and distributed to Consideration Bondholders <i>pro rata</i> on the next Interest Payment Date as a profit (over and above any amounts payable as interest on the Consideration Bonds).

<p>Mandatory Pre-payment</p>	<p>Ocean Champion/Seller Purchase Options: In the event either the Lessee or Ocean Champion acquires the Vessel pursuant to the Lessee’s Purchase Option/the Ocean Champion Purchase Option, then the Vessel Owner shall, after sufficient funds to cover the costs of liquidating the Vessel Owner have been set aside, apply the proceeds from the sale of the Vessel to repay the Consideration Bonds at par plus accrued and unpaid interest.</p> <p>Other sale of the Vessel: In the event that the Vessel Owner sells the Vessel to a person other than Ocean Champion or the Seller, the proceeds of the sale of the Vessel shall, after sufficient funds to cover the costs of liquidating the Vessel Owner have been set aside, be applied to repay the Consideration Bonds.</p> <p>Total Loss of the Vessel: Upon a total loss event in relation to the Vessel the Vessel Owner shall, after sufficient funds to cover the costs of liquidating the Vessel Owner have been set aside, apply the proceeds from any insurance to the repayment of the Consideration Bonds.</p> <p>If, following completion of a sale or receipt of insurance proceeds the Vessel Owner’s funds exceed the amount of Consideration Bonds outstanding (plus any accrued but unpaid interest thereon), then all surplus funds shall be used to pay the final “profit” on the Consideration Bonds prior to the repayment of the Consideration Bonds.</p> <p>If it becomes evident to the Bond Trustee that the basis for any further payment to Consideration Bondholders (following the sale or other realisation of assets) no longer exist, the Vessel Owner shall in co-operation with the Bond Trustee be entitled to discharge the remaining Consideration Bonds without further payment.</p>
<p>Security</p>	<p>The Consideration Bonds will benefit from security over substantially all of the assets of the Vessel Owner and the Refectio including, but not limited to:</p> <ul style="list-style-type: none"> • a Norwegian law mortgage over the Vessel; • security over the Retention Account; and • an assignment of all security granted under the Charter.
<p>Covenants</p>	<p>The Consideration Bonds will benefit from standard covenants that will substantially mirror the covenants set forth in the Bond Agreement, tailored to take into account the fact that the Vessel Owner will not be operating the Vessel.</p> <p>Covenants will contemplate the provision of up to USD10 million super senior financing by Consideration Bondholders ranking in priority to the Consideration Bonds which may be incurred for the purposes of operating the Vessel following the termination of the Charter (the “Super Senior Debt”).</p> <p>A disposal of the Vessel pursuant to the Lessee’s Purchase Option or the Ocean Champion Purchase Option shall not require the consent</p>

	of Consideration Bondholders.
Charter Payments	All amounts received by the Vessel Owner under the Charter shall be deposited and held in an account secured in favour of the Consideration Bonds (the “ Retention Account ”).
Amendments/Waivers	To mirror the Bond Agreement (subject to the matters referred to in the paragraph entitled “Governance of the Vessel Owner” set out below).
Provision of information	During the Initial Period, the Vessel Owner shall provide to the Consideration Bondholders information relating to the performance of the Group on a monthly basis and thereafter on a quarterly basis. Provision of financial information relating to the Vessel Owner to mirror the Bond Agreement.
Trustee	The Bond Trustee
Governing Law	Norwegian Law
Registration	The Bonds will be registered in the Norwegian Central Securities Depository (VPS).

5 DESCRIPTION OF THE VESSEL OWNER

Jurisdiction	The Vessel Owner shall be a special purpose vehicle incorporated in the Cayman Islands.
Ownership	The Vessel Owner will be directly 100% owned by NT Refectio XII AS (“ Refectio ”), which in turn is a single purpose company incorporated in Norway and held by Stiftelsen NTM Refectio, a non-profit foundation established by Nordic Trustee ASA (the “ Bond Trustee ”) for the purpose of acquiring assets in connection with the management of bond loans.
Directors	It is intended that the directors of the Vessel Owner shall be Mourant Ozannes Directors Limited.
Governance of the Vessel Owner	<p>The Consideration Bond Agreement/constitutional documents of the Vessel Owner will include provisions:</p> <ul style="list-style-type: none"> • allowing an “advisory committee” of Consideration Bondholders (representing at least 50% of the Consideration Bonds) to be established for the purpose of giving guidance to the directors of the Vessel Owner in connection with the Vessel, including granting any consents under the Lease (the “Consideration Bondholder Committee”); • requiring the directors of the Vessel Owner to seek guidance from the Bond Trustee who will seek guidance from the Consideration Bondholder Committee in connection with the protections and management of the Vessel in the event of a termination event under the Charter; • requiring the consent of holders of 662/3% of the Consideration Bonds (by written confirmation to the Bond Trustee and if such consent may not be obtained, in a bondholders’ meeting) for any sale or disposal of the Vessel (other than pursuant to the Lessee’s Purchase Option or the Ocean Champion Purchase Option); • requiring the Vessel Owner to look to realise the Vessel rather than operate it in the event of a termination of the Lease (unless holders of 662/3% of the Consideration Bonds agreed otherwise (by written confirmation to the Bond Trustee and if such consent may not be obtained, in a bondholders’ meeting)); and • allowing for monthly meetings of the Consideration Bondholder Committee, the Bond Trustee and the directors of the Vessel Owner so that the board representative may report to the Consideration Bondholder Committee.
Assets of the Vessel Owner	<p>On the Closing Date the assets of the Vessel Owner shall be:</p> <ul style="list-style-type: none"> • the Vessel and the BOP; • the rights under the Charter (and security in favour of the Vessel

	<p>Owner granted pursuant to the Charter);</p> <ul style="list-style-type: none"> • an amount of approximately USD19 million held in the Retention Account (as defined above), which shall be applied to buy back and/or redeem Bonds as soon as possible after the Closing Date; and • an amount of USD1 million held in the Retention Account, which shall be held back from distributions to Bondholders for the purposes of funding the Vessel Owner.
Liabilities of the Vessel Owner	<p>Following completion of the Proposed Restructuring the sole financial liability of the Vessel Owner will be its obligations under the Consideration Bonds. Other liabilities of the Vessel Owner will include:</p> <ul style="list-style-type: none"> • agreements with service providers; • administrative costs; and • costs to Refectio and the Bond Trustee.
Managers	<p>Certain of the Vessel Owners' directors functions relating to the management of the Vessel Owner and the interaction with the Bondholders will be delegated to AMA Capital Partners.</p>
Fees and expenses	<p>Costs of the Vessel Owner including (a) initial share subscription, (b) duties as owner of the Vessel; (c) retaining advisors; and (d) the annual fee to Refectio shall be paid from (i) the Retained Cash, (ii) Excess Cash (if any) or (iii) Super Senior Debt.</p>

Appendix 2

Norshore Trading Update

	Blue Sky II	Blue Sky III	West Africa Contract	South East Asia	Oil Major
Contract status:	<p>Operations completed:</p> <p>Atlantic in Batam preparing to offload BlueSky</p>	Firm contract	<p>Contract document agreed and completed, signing pending confirmation of contract funding.</p> <p>Signing expected end of July/early August.</p>	LOI signed, will become firm contract when pending approval from local authorities.	<p>Tender.</p> <p>Norshore Atlantic technically approved for the tender.</p> <p>First tender cancelled (as a result of only two bidders), new tender expected to be issued 28 July.</p>
Duration		Approximately 30 days	<p>Duration of firm period is expected to be 250 days including well completion. There might be a window of 3-6 months between well #1 and the following wells depending on outcome of the appraisal well (well #1). Norshore is exploring different alternatives for contracts for such period.</p>	Expected duration 30 days, including transit	Expected duration (assuming same scope of work as first tender) is 40 days of plug and abandonment of 3 wells

Commencement		Will commence after the BOP project is completed.	Commencement date not yet confirmed.	Commencement date not yet confirmed.	Commencement date not yet confirmed, however is expected to follow the BlueSky III if Norshore is awarded the contract
Scope		Drilling and well intervention.	Firm contract for 4 wells +5 optional wells.	Drilling of one complete well	P&A and well intervention
Country/Region	Indonesia	Indonesia	West Africa	Asia	Indonesia
Other			Expect transit from Singapore, fixed mobilization fee agreed.		Stricter technical requirements, such as use of BOP etc., compared to first tender.