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To the bondholders in:

**ISIN NO 001 072202.8 – 9.00 per cent. Golden Close Maritime Corp. Ltd. Senior Secured  
Callable Bond Issue 2014/2019**

Oslo, 23 June 2016

## **SUMMONS TO BONDHOLDER'S MEETING – APPROVAL OF WAIVER ARRANGEMENTS**

Nordic Trustee ASA (the "**Bond Trustee**") is appointed as bond trustee for the bond issue with ISIN NO 001 072202.8 (the "**Golden Close Bonds**") issued by Golden Close Maritime Corp. Ltd. ("**Golden Close**" or the "**Issuer**") pursuant to the terms of the bond agreement dated 23 October 2014 with respect to the Golden Close Bonds (the "**Bond Agreement**") between Golden Close as the bond issuer and the Bond Trustee (on behalf of itself and the holders from time to time of the Golden Close Bonds (the "**Bondholders**")).

All capitalised terms used but not defined in this summons have the meanings given to them in the Bond Agreement.

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

The purpose of this summons is to convene a Bondholder's Meeting to consider a request by the Issuer for approval in respect of a Waiver Agreement as described in section 2 of this summons. The Bondholders' Meeting is requested by the Issuer in accordance with Clause 16.2 of the Bond Agreement.

Bondholders holding approximately 63% of the Outstanding Bonds have already indicated their support for the Proposal as defined and outlined below.

### **1 BACKGROUND**

In cooperation with the manager of the Drillship, Odfjell Drilling AS (the "**Manager**"), the Issuer has recently secured a conditional letter of award with Petronas for a contract for employment of the Drillship with Petronas in Malaysia for an employment period of at least 60-70 days and, potentially, up to as much as 245 days (the "**Petronas Contract**"). In the context of the entry into of the Petronas Contract, the Issuer wishes to ensure that it has a stable operating platform. In that regard, the Issuer is mindful that certain historical Events of Default have occurred under the Bond Agreement and, accordingly, the Issuer is requesting a waiver of those historical Events of Default.

Moreover, Interest Payment Dates occur during the Petronas Contract employment period. On the 24 April and 24 July 2016 Interest Payment Dates, interest falls due on the Bonds and on the 24 October 2016 Interest Payment Date both interest and a Fixed Amortization falls due on the Bonds. In light of the current market conditions and projected cash flow forecast, it is not expected that the Issuer will make scheduled interest and Fixed Amortization payments, pending a long-term solution to its financial position. Due to the anticipated non-payment of interest and Fixed Amortization amounts, the Issuer will

not fund the Retention Account, but will instead apply available funds for operational purposes in accordance with the Waiver Budget (as defined below).

Furthermore, in light of the current projected cash flow forecast and to ensure necessary operational flexibility for the Issuer until it receives revenue from the Petronas Contract, it is expected that the Issuer most likely will require to use funds on the Retention Account and SPS Reserve Account for operational purposes.

Finally, due to local requirements e.g. of local counterparties, the Issuer will in connection with the Petronas Contract need to put in place a structure, including by use of intermediaries, which may imply that the Additional Security relating to the Petronas Contract envisaged by Clause 8.3 of the Bond Agreement can not in all respects be established as and/or in the manner contemplated thereby.

Accordingly, the Issuer is seeking approval of (a) a temporary waiver during the Waiver Period (as defined below) from (i) the obligation to pay interest and Fixed Amortisation payments, (ii) the obligation to fund the Retention Account, (iii) the restrictions on use of funds on the Retention Account and the SPS Reserve Account (to the extent that funds from these accounts are used to make payments in strict accordance with the Waiver Budget, as defined and described below), and (iv) of all Events of Default that may arise out of the non-payment of the above amounts or use of funds as described above and the other terms described in this summons (the "**Waiver**") and (b) an authorisation to the Bond Trustee to, acting reasonably, accept any deviations to and grant any waivers from the Additional Security requirements under the Bond Agreement in connection with the Petronas Contract (the "**Additional Security Waiver Authorisation**").

Discussions have been held between the Issuer and the Bond Trustee regarding the granting by the Bond Trustee (for and on behalf of the Bondholders) of the Waiver and the Additional Security Waiver Authorisation, which will be conditional upon the entry into of an agreement constituting the Waiver and the Additional Security Waiver Authorisation (the "**Waiver Agreement**"), and which will be a Norwegian law-governed Finance Document between the Issuer and the Bond Trustee (for and on behalf of the Bondholders). The terms of the Waiver Agreement are further outlined below.

For these purposes, the Issuer has agreed with the Bond Trustee (and its financial adviser, AMA Capital Partners) a budget for the expected operational expenses and expenses for general corporate purposes (including payment of invoices issued or to be issued by the Bond Trustee and its legal and financial advisers for their fees and expenses) that will be required up to and including September 2016 when it is expected that the Issuer will begin to receive revenue under the Petronas Contract (the "**Waiver Budget**"). The Waiver Budget has been prepared by the Issuer as an estimate based on certain assumptions and projections, which means that insignificant deviations therefrom in the future cannot be excluded.

In connection with the Manager's provision of drillship-management services to the Issuer, the Issuer entered into a drillship management agreement with the Manager in October 2008 (the "**Management Agreement**"). In accordance with its terms, the Management Agreement is due to expire in June 2016. It is the Issuer's current intention, upon expiry of the current Management Agreement, to enter into a further agreement for the provision of drillship-management services with the Manager on terms to be agreed.

## 2 SUMMARY OF PROPOSED WAIVER AGREEMENT

### 2.1 Scope

The relevant obligations of the Issuer and Events of Default under the Bond Agreement to be temporarily waived during the Waiver Period pursuant to the Waiver Agreement shall be:

- (a) the obligation to make payments in accordance with clause 13.4.24 *litra* (b) (*Application of Earnings*) and/or clause 13.4.27 (*Retention Account*) of the Bond Agreement;
- (b) the obligation to comply with the restrictions of use of funds set out in clause 13.4.27 (*Retention Account*) and clause 13.4.28 (*SPS Reserve Account*) of the Bond Agreement, such that funds deposited on the Retention Account and the SPS Reserve Account may during the Waiver Period be used to cover operational expenses and expenses for general corporate purposes, provided that such funds may only be applied strictly in accordance with the Waiver Budget and subject to any restrictions otherwise set out in the Bond Agreement,
- (c) all Events of Default that may have occurred on or prior to the date of entry into of the Waiver Agreement (whether or not expressly identified as at the date of the Waiver Agreement), including, without limitation, any Events of Default that may have occurred and be continuing as a result of a breach of the following provisions of the Bond Agreement:
  - Clause 13.5.1 (*Minimum Liquidity*);
  - Clause 13.5.2 (*Asset Coverage Ratio*); and/or
  - Clause 15.5(b) (*Insolvency*);
- (d) payment of interest on the 24 April 2016 Interest Payment Date and each subsequent Interest Payment Date (including, in each case, payment of default interest that may have accrued on overdue amounts in accordance with clause 11.5 of the Bond Agreement), including, without limitation, Events of Default arising under clause 15.1 of the Bond Agreement; and
- (e) payment of the due and payable Fixed Amortization on the 24 October 2016 Interest Payment Date and on each subsequent Interest Payment Date on which a Fixed Amortization is due and payable (including, in each case, payment of default interest that may have accrued prior to the Waiver Period (as defined below) on overdue amounts in accordance with clause 11.5 of the Bond Agreement)

(the obligations and Events of Default described in *litra* (a) to (e) above being respectively the "**Relevant Obligations**" and the "**Relevant Defaults**").

For the avoidance of doubt, the Waiver extends only to the abovementioned Relevant Obligations and Relevant Defaults whilst the Waiver remains in force, and the Waiver shall not otherwise limit the obligations of the Obligors under the Bond Agreement or any other Finance Documents, nor prevent the accrual of ordinary interest on the Bonds, or (notwithstanding the granting of the Waiver) the accrual of default interest under clause 11.5 of the Bond Agreement on overdue amounts, or the occurrence of any other Event of Default.

Upon the termination of the Waiver, any and all Relevant Obligations and Relevant Defaults shall no longer continue to be subject to the Waiver and shall from such date again be effective, absent any further agreement between the Issuer and the Bond Trustee (on behalf of the Bondholders). This means that upon the expiry of the Waiver, absent such agreement, any Events of Default that would have occurred but for the provision of the Waiver shall be deemed to have occurred as from the time of their original occurrence and to be continuing, and all amounts that would have been payable during the Waiver Period but for the provision of the Waiver, shall be immediately due and payable with effect from their original due date.

Nothing in the Waiver Agreement shall restrict or prevent the Bond Trustee from taking any steps to exercise its rights (including to accelerate or enforce under the Bond Agreement) in relation to any obligation of the Issuer or any Event of Default that is not one of the Relevant Obligations or Relevant Defaults.

The Issuer shall be permitted to exclude the Relevant Obligations and Relevant Defaults in any Compliance Certificates that are required to be issued during the Waiver Period.

## **2.2 Waiver Period**

It is intended that the Waiver will commence with the entry into of the Waiver Agreement, which will happen as soon as reasonably practicable. With the written instructions of Bondholders together holding 50% or more of the Bonds, the Bond Trustee may terminate the Waiver under the Waiver Agreement on three Business Days' written notice to the Issuer or its counsel, which it may do at any time from the earlier of: (i) 31 July 2016 if the Petronas Contract has not been entered and become unconditional by then, provided that Bondholders holding together 50.01% of the Bonds have not consented in writing to the Issuer prior to 31 July 2016 to extend such date until 31 August 2016, (ii) the date on which the Petronas Contract has been terminated or has otherwise ended, or the date on which any hire periods under the Petronas Contract have expired at a time when any option periods under the Petronas Contract have not yet been firmed up, (iii) the date on which there occurs any breach by either party to the the Petronas Contract under its terms, which (with the giving of notice or the expiry of any period) would entitle termination of the Petronas Contract, provided that in case of a breach that does not constitute a breach of a payment obligation under the Petronas Contract, the Waiver may not be terminated during a period of 30 days from the date of occurrence of such breach (the "**Cure Period**") if (x) any payments scheduled to be due under the Petronas Contract (notwithstanding the occurrence of any breach) have been paid in full when due and Petronas has not given any indication regarding its intention to not pay or to delay any payments since the occurrence of any breach under the Petronas Contract and (y) any such breach has ceased to exist (and has not only been waived by the other party) until expiry of the Cure Period, (iv) the date on which any Event of Default that is not a Relevant Default has occurred, and (v) the date on which any breach by the Issuer of the Waiver Covenants set out in section 2.3 of this summons has occurred. The period during which the Waiver remains in place is shall be referred to as the "**Waiver Period**". If the Waiver Period is terminated by the Bond Trustee pursuant to the above, no additional grace or remedy periods shall apply.

The commencement of the Waiver Period will be conditional upon approval of the requisite majority of Bondholders in support of the Waiver and satisfaction of customary conditions precedent, including the payment of historical fees, costs and expenses of the Bond Trustee and its advisers, and the entry into of fee agreements with each of the Bond Trustee's advisers to pay their ongoing fees, costs and expenses (other than any success fees) – the terms of which agreements were summarised in the Bondholders'

Meeting summons dated 20 August 2015, which was previously approved by Bondholders (the "**Fee Agreements**").

### **2.3 Waiver Covenants**

In consideration for, and subject to, the granting of the Waiver, the Issuer has agreed in favour of the Bond Trustee to provide and satisfy the following covenants during the Waiver Period (and thereafter, for as long as any Event of Default is outstanding), and such other covenants that the Bond Trustee may reasonably require which relate to the Relevant Obligations and Relevant Defaults:

- to provide fortnightly to the Bond Trustee updated (i) cash flow and cash balance numbers and (ii) cash-flow projections in relation to a 13-week forecast period;
- to provide to the Bond Trustee fortnightly reports in respect of actual and forecast expenditure in respect of operational expenses and special periodic surveying (SPS) costs of the Drillship;
- to co-operate with the Bond Trustee in the preservation of the Bond Trustee's and the Bondholders' rights and interests under the Bond Agreement and related Finance Documents;
- to provide to the Bond Trustee and its advisers all information reasonably requested concerning the Obligors and their business and assets, including in relation to the Drillship and the Petronas Contract;
- to inform the Bond Trustee immediately upon becoming aware of any events or circumstances that have given rise to or could give rise to a right of the Bond Trustee to terminate the Waiver;
- not agree to or accept any amendment to or termination of the Petronas Contract without the Bond Trustee's prior written consent;
- to pay the fees (including any D&O insurance premiums) of the three directors of the Obligors appointed as representative of Metro Exploration Holding Corp up to a total annual amount of USD 132,000, and to reimburse such directors for their reasonable out of pocket expenses properly incurred by them (such as travel expenses) in connection with their appointment (plus any value added tax or overseas equivalent); and
- to enter into, comply with and not to terminate any of the Fee Agreements.

### **3 PROPOSAL**

It is proposed that a resolution comprising the following elements (the "**Proposal**") be passed by the Bondholders to:

- (a) approve the entering into of the Waiver Agreement, the content of which shall be as summarised in section 2 of this summons and to grant the Additional Security Waiver Authorisation; and
- (b) authorise and instruct the Bond Trustee (in consultation with its advisers) to do all things and take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the

implementation of the matters referred to in this summons, including, without limitation negotiating and approving the final terms of, and entering into, the Waiver Agreement and to exercise or not exercise, in its discretion, the Additional Security Waiver Authorisation, and to negotiate and execute any and all documentation and agreements deemed necessary or desirable by the Bond Trustee in relation thereto.

#### **4 NON-RELIANCE**

The Proposal is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee and nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate the Proposal and vote accordingly. It is recommended that the Bondholders seek counsel from their legal, financial and tax advisers regarding the effect of the Proposal.

#### **5 BONDHOLDERS' MEETING**

The Bondholders are hereby summoned to a Bondholders' Meeting.

Time: 8 July 2016 at 13:00 hours (Oslo time)

Place: The premises of Nordic Trustee ASA  
Haakon VII's gate 1, Oslo – 6<sup>th</sup> 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. Approval of the Proposal.

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

*"The Bondholders' Meeting approves the Proposal as described in section 3 of the summons to this Bondholders' Meeting."*

The above mentioned resolution will, according to the Bond Agreement, require a 2/3 majority of the Voting Bonds represented at the Bondholders' Meeting voting in favour and a minimum of 50% of the Voting Bonds being represented at the meeting. The Bondholders may be represented in person or by proxy.

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Please find attached a Bondholder's Form from the Security Depositary (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Golden Close Bonds and of the voting rights at the Bondholder's Meeting. If the Golden Close Bonds are held in custody i.e. the owner is not registered directly in VPS – the custodian must confirm; (i) the owner of the

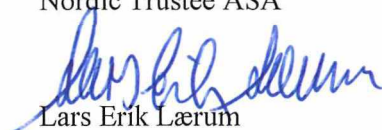
Golden Close Bonds, (ii) the aggregate nominal amount of the Golden Close Bonds and (iii) the account number in VPS on which the Golden Close Bonds are registered.

The individual Bondholder may authorise the Bond Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholders Form, authorising Nordic Trustee ASA to vote, must be returned to the Bond Trustee in due time before the Bondholders' Meeting is scheduled (by scanned e-mail, telefax or post).

In the event that Golden Close 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 that the Bond Trustee accepts as sufficient proof of the ownership of the Golden Close Bonds.

For practical purposes, we request those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to the Bond Trustee, to notify the Bond Trustee by telephone or by e-mail ([post@nordictrustee.com](mailto:post@nordictrustee.com)) by 16:00 hours (4 pm) (Oslo time) the Business Day before the meeting takes place.

Kind regards,  
Nordic Trustee ASA



Lars Erik Lærum

Enclosed:      Bondholder's Form