

ISIN NO 0010779945

BOND AGREEMENT

between

Rem Offshore ASA
(Issuer)

and

Nordic Trustee ASA
(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

Rem Offshore ASA Secured Bond Issue 2016/2024

TABLE OF CONTENTS

1	INTERPRETATION	3
2	THE BONDS	8
3	LISTING	9
4	REGISTRATION IN THE SECURITIES DEPOSITORY	9
5	PURCHASE AND TRANSFER OF BONDS	9
6	CONDITIONS PRECEDENT	10
7	REPRESENTATIONS AND WARRANTIES	10
8	STATUS OF THE BONDS AND SECURITY	12
9	INTEREST	12
10	MATURITY OF THE BONDS AND REDEMPTION	13
11	PAYMENTS	16
12	ISSUER'S ACQUISITION OF BONDS	18
13	COVENANTS	18
14	FEES AND EXPENSES	23
15	EVENTS OF DEFAULT	24
16	BONDHOLDERS' MEETING	26
17	THE BOND TRUSTEE	29
18	MISCELLANEOUS	31

This agreement has been entered into on 8 December 2016 between

- (1) Rem Offshore ASA, a company existing under the laws of Norway with registration number 989 284 339, as issuer (the “**Issuer**”), and
- (2) Nordic Trustee ASA, a company existing under the laws of Norway with registration number 963 342 624, as bond trustee (the “**Bond Trustee**”).

1 **Interpretation**

1.1 *Definitions*

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

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

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

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

“**Bond Buy-Back**” shall have the meaning given to it in Clause 13.4(h).

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

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

“**Bond Restructuring Agreement**” means the bond restructuring agreement entered into or about the date hereof between the Issuer and Nordic Trustee ASA as bond trustee under (i) the bond agreement dated 7 March 2013 (the REM04 PRO Bond Agreement) and (ii) the bond agreement dated 23 September 2013 (the REM05 Bond Agreement).

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

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

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

“**Business Day**” means any day on which Norwegian banks are open for general business, and when Norwegian banks can settle foreign currency transactions and the Norwegian Central Bank’s Settlement System is open.

“**Business Day Convention**” means that no adjustment will be made, notwithstanding the Payment Date occurs on a day that is not a Business Day, and if such date is not a Business Day, payments of interest and/or principal (as the case

may be) will be made on the first following day that is a Business Day (*No Adjustments of Business Day*).

“Call Option” shall have the meaning given to it in Clause 10.2.1.

“Change of Control Event” means:

- (a) prior to completion of the Merger, any person or group (as such term is defined in the Norwegian Limited Companies Act § 1-3) other than Mr. Åge Remøy (directly or indirectly) and his heirs and affiliates, in aggregate becomes the owner of 50.00 % or more of the outstanding shares and/or voting rights of the Issuer; or
- (b) after completion of the Merger, Solstad Offshore ASA or Aker ASA, at any time and directly or indirectly, in aggregate owns less than 50.00 % of the shares in the Issuer.

“Consent Fee Letter” means the letter dated on or about the date hereof between any of Solstad Offshore ASA or a subsidiary of Solstad Offshore ASA, and the Bond Trustee, setting out the terms of the consent fee.

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

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

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

“Defeasance Security” shall have the meaning given to it in Clause 18.2.1 (a).

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

“Exchange” means (i) a securities exchange or other reputable regulated market, or (ii) Oslo Børs, on which the Bonds are listed, or where the Issuer has applied for listing of the Bonds.

“Expert” shall have the meaning set forth in Clause 10.4.6.1.

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

“Finance Documents” means (i) this Bond Agreement, (ii) the Bond Restructuring Agreement, (iii) the agreement between the Bond Trustee and the Issuer referred to in Clause 14.2, (iv) the Security Documents, (v) the Consent Fee Letter and (vi) any other document the Issuer and the Bond Trustee agree in writing to be a Finance Document.

“Financial Indebtedness” means any indebtedness incurred in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amounts raised under any other transaction (including any forward sale of purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark-to-market value shall be taken into account); and
- (h) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in (a) through (g) above.

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

“Fixed Rate” shall have the meaning given to it in Clause 9.1.

“Fixed Rate Day Count Fraction” shall have the meaning given to it in Clause 9.4.

“GAAP” means the International Financial Reporting Standards (IFRS) or generally accepted accounting principles in Norway, as the Issuer may decide from time to time.

“Group” means the Issuer and all its Subsidiaries from time to time (each a **“Group Company”**).

“Initial Valuation” shall have the meaning set forth in Clause 10.4.6.1.

“Insolvent” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts generally; or

- (b) 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 8 December each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.

“Interim Accounts” means the unaudited consolidated quarterly financial statements of the Issuer for any quarter ending on a Quarter Date, drawn up according to GAAP.

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

“Issue Date” means 8 December 2016.

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

“Manager” means the manager(s) for the Bond Issue, being ABG Sundal Collier ASA.

“Material Adverse Effect” means a material adverse effect on: (a) the Issuer’s ability 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.

“Maturity Date” means 8 December 2024. Any adjustment will be made according to the Business Day Convention.

“Merged Group” means, following the Merger (a) Solstad Offshore ASA and all its Subsidiaries from time to time and (b) the Group.

“Merger” means the contemplated merger between the Issuer and Solship Invest, with Solship Invest as the surviving entity, and the transactions contemplated thereby.

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

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

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

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

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

“Permitted Security” means any security contemplated by the Restructuring Term Sheet, including:

- (a) the Security Interests;
- (b) the security granted in connection with the Group's existing senior secured bank facilities; and
- (c) any Security arising by operation of law or in the ordinary course of business.

"Put Option" shall have the meaning set forth in Clause 10.3.

"Quarter Date" means each 31 March, 30 June, 30 September and 31 December.

"Record Date" means 30 November 2016.

"Rem Fortress Loans" means the non-interest bearing, non-amortizing and fully subordinated loans in the amount of NOK 42,000,000 and NOK 16,973,689 entered into between the Issuer as lender and Rem Fortress AS as borrower.

"Rem Maritime" means Rem Maritime AS (reg.no. 976 562 933).

"Required Registrations" means the registration of the share capital increases resulting from the New Equity and Debt Conversion, as defined and described in the Restructuring Term Sheet.

"Restructuring Term Sheet" means the terms of the restructuring plan for the Issuer (the **"Restructuring"**) as set out in Schedule B to the summons to the bondholders dated 23 August 2016.

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

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

"Security Agent" means the Bond Trustee in its capacity as security agent and/or security trustee pursuant to Clause 17.4.

"Security Documents" means, collectively, all the documents evidencing, creating or granting the Security Interests.

"Security Interests" means the Share Pledge.

"Share Pledge" means a first priority pledge over all shares in Rem Maritime, made between the Issuer and the Security Agent.

"Share Settlement Exercise Notice" shall have the meaning set forth in Clause 10.4.2.

"Share Settlement Option" shall have the meaning set forth in Clause 10.4.2.

"Solship Invest" means Solship Invest 1 AS (org. nr. 917 635 277), an indirect Subsidiary of Solstad Offshore ASA.

“**Stamdata**” means the web site www.stamdata.no, maintained by the Bond Trustee.

“**Subsidiary**” means an entity over which another entity has Decisive Influence.

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

“**Vessel Pool(s)**” shall have the meaning set forth in Clause 13.4(j).

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

1.2 *Construction*

In this Bond Agreement, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number shall include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of this Bond Agreement;
- (d) references to a time is a reference to Oslo time;
- (e) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings, judgments and other binding decisions relating to such provision or regulation;
- (f) an Event of Default is “**continuing**” if it has not been remedied or waived; and
- (g) references to a “**person**” shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

2 **The Bonds**

2.1 *Binding nature of this Bond Agreement*

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

2.2 *The Bonds*

- 2.2.1 The Issuer has resolved to issue a series of Bonds in the amount of NOK 276,500,000 (Norwegian kroner two hundred and seventy six million five hundred thousand).

The Face Value is NOK 1.00. The Bonds shall rank *pari passu* between themselves.

The Bond Issue will be described as “Rem Offshore ASA Secured Bond Issue 2016/2024”.

The ISIN of the Bond Issue will be NO 0010779945.

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

2.3 *Purpose and utilization*

The Bonds are issued in connection with a restructuring of the Issuer, in accordance with the terms set out in the Restructuring Term Sheet.

3 **Listing**

- 3.1 The Issuer is under no obligation to list the Bonds.

4 **Registration in the Securities Depository**

- 4.1 The Bond Issue and the Bonds shall prior to disbursement be registered in the Securities Depository according to the Norwegian Securities Depository Act (Act 2002/64) and the terms and conditions of the Securities Depository. Principal and interest accrued will be credited to the Bondholders through the Securities Depository.
- 4.2 The Issuer shall ensure that correct registration in the Securities Depository is made and shall notify the Securities Depository of any changes in the terms and conditions of this Bond Agreement. The Bond Trustee shall receive a copy of the notification. The registration may be executed by the Paying Agent.
- 4.3 The Bonds have not been registered under the US Securities Act, and the Issuer is under no obligation to arrange for registration of the Bonds under the US Securities Act.

5 **Purchase and transfer of Bonds**

- 5.1 Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with applicable local laws and regulations at its own cost and expense.
- 5.2 Notwithstanding the above, a Bondholder which has purchased the Bonds in breach of applicable mandatory restrictions may nevertheless utilize its rights (including, but not limited to, voting rights) under this Bond Agreement.

6 **Conditions Precedent**

This Bond Agreement shall be effective as at the date the Bond Trustee provides a written notice to the Issuer confirming that all the conditions precedent as set out in Schedule 2 to the Bond Restructuring Agreement have been satisfied.

7 **Representations and Warranties**

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

(a) Status

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

(b) Power and authority

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

(c) Valid, binding and enforceable obligations

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

(d) Non-conflict with other obligations

The entry into and performance by it of this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with:

- (i) any law or regulation or judicial or official order;
- (ii) its constitutional documents; or
- (i) any agreement or instrument which is binding upon it or any of its assets.

(e) No Event of Default

- (i) No Event of Default exists or is likely to result from the making of any drawdown under this Bond Agreement or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (ii) No other event or circumstance is outstanding which constitutes (or with the expiry of a grace period, the giving of notice, the making of any determination

or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or 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.

(f) 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 this Bond Agreement or any other Finance Document to which it is a party; and
- (ii) to carry on its business as presently conducted and as contemplated by this Bond Agreement,

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

(g) Litigation

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.

(h) Financial reports

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

(i) No Material Adverse Effect

Since the date of the most recent Financial Statements, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect, except for such information regarding the market conditions otherwise disclosed in the market up to 25 November 2016.

(j) 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.

(k) No withholdings

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

(l) *Security*

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

- 7.2 The representations and warranties set out in Clause 7.1 are made on the Issue Date.
- 7.3 The Bond Trustee may prior to disbursement require a written statement from the Issuer confirming compliance with Clause 7.1.
- 7.4 In the event of misrepresentation, the Issuer shall indemnify the Bond Trustee for any economic losses suffered, both prior to the disbursement of the Bonds, and during the term of the Bonds, as a result of its reliance on the representations and warranties provided by such Issuer herein.

8 **Status of the Bonds and security**

- 8.1 The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of existing or future subordinated debt.
- 8.2 The Bonds and all amounts outstanding under the Finance Documents to the Bond Trustee and the Bondholders, including but not limited to, accrued but unpaid interest, costs and expenses, shall be secured by the Security Interest.

9 **Interest**

- 9.1 The Issuer shall pay interest on the par value of the Bonds from, and including, the Issue Date at a fixed rate of 5.00 % per annum (the “**Fixed Rate**”).
- 9.2 Interest payments shall be made in the form of additional Bonds (“**PIK Bonds**”) annually in arrears on the Interest Payment Dates each year, the first Interest Payment Date falling in 8 December 2017. The number of PIK Bonds issued shall be based on the Face Value, rounded down to the nearest NOK. The PIK Bonds shall be issued on the relevant Interest Payment Date and will accrue interest from and including such Interest Payment Date.
- 9.3 The relevant interest payable amount shall be calculated based on a period from, and including, the Issue Date to, but excluding, the next following applicable Interest Payment Date, and thereafter from and including, that Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.
- 9.4 The day count fraction (“**Fixed Rate Day Count Fraction**”) in respect of the calculation of the payable interest amount shall be “30/360”, which means that the number of days in the calculation period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-days months (unless (i) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the

calculation period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

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

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

- 9.6 The additional Bonds issued as Payment-in-Kind shall be identical to, and given the same rights as the existing Bonds as of the date they are issued in the Securities Depository and shall be deemed to constitute a part of the Bond Issue.

10 Maturity of the Bonds and Redemption

10.1 Maturity

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

10.2 Call Option

- 10.2.1 Without limiting the Bond Buy-Back, the Issuer may redeem the Bond Issue in whole (but not in part) with settlement date at any time from Issue Date to, but not included, the Maturity Date at 100 % of par (the "**Call Option**").

- 10.2.2 Exercise of the Call Option shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least thirty days prior to the settlement date of the Call Option.

- 10.2.3 On the settlement date of the Call Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, in respect of each such Bond, the principal amount of such Bond and any unpaid interest accrued to the settlement date.

- 10.2.4 Bonds redeemed by the Issuer in accordance with this Clause 10.2 shall be discharged against the Outstanding Bonds.

10.3 Change of control

- 10.3.1 Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to require that the Issuer acquires its Bonds (a "**Put Option**") at a price of 100 % of par value (plus accrued interest).

- 10.3.2 The Put Option must be exercised within sixty calendar days after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible after a Change of Control Event has taken place.

- 10.3.3 The Put Option may be exercised by each Bondholder by giving written notice of the request to its Account Manager. The Account Manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third

Business Day after the end of the sixty calendar days exercise period of the Put Option.

- 10.3.4 On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond and any unpaid interest accrued up to (but not including) the settlement date.

10.4 *Share settlement option*

- 10.4.1 For the purposes of this Clause 10.4:

“Approved Broker” means any of Fearnley Offshore, Johan G Olsen and Clarkson Platou.

“Current Value” means, in respect of a Share on the Valuation Date, 100 % of the average of the VWAP of the Shares for the thirty (30) consecutive trading days ending on the Valuation Date.

“Shares” means:

- (a) the ordinary shares in the capital of the Issuer; or
- (b) after completion of the Merger, shares in the capital of Solstad Offshore ASA with rights equal to the existing shares (save that each new share will only give 1/10 vote compared to the existing shares), and issued as a new class of shares (B shares).

“Valuation Date” means the date three (3) trading days prior to the Maturity Date.

“VWAP” means the Volume Weighted Average Price of a Share on a trading day (provided that if on any such trading day the Shares shall have been quoted cum-dividend or cum-any other entitlement, the closing price on such trading day shall be deemed to be the amount thereof reduced by an amount equal to the fair market value of any such dividend or entitlement per Share as at the date of first public announcement of such dividend or entitlement (or, if that is not a trading day, the immediately preceding trading day)).

- 10.4.2 The Issuer may (instead of repaying in cash) redeem the Bonds on the Maturity Date by exercising a share settlement option (the **"Share Settlement Option"**) with respect to all of the Bonds by giving notice (the **"Share Settlement Exercise Notice"**) to the Bond Trustee and the Bondholders not more than sixty (60) nor less than thirty (30) calendar days prior to the Maturity Date.
- 10.4.3 The Issuer shall, together with the Share Settlement Exercise Notice, provide the Bond Trustee and the Bondholders with the result of the Initial Valuation (as defined below).
- 10.4.4 The Issuer shall, subject to Clause 10.4.5 below, exercise the Share Settlement Option by (for each Bondholder) issuing or transferring and delivering to each Bondholder such number of Shares as is determined by dividing the aggregate principal amount of such Bondholder's Bonds (plus accrued interest until the

Maturity Date not paid as PIK Bonds) by the Current Value in effect on the Valuation Date.

- 10.4.5 Provided that (a) the Issuer has exercised the Share Settlement Option, (b) the Merger has been completed and (c) Aker ASA (directly or indirectly) has exercised its right to convert the convertible loan provided to Solstad Offshore ASA and elected to convert such loan to shares in a direct holding company of the Issuer (instead of shares in Solstad Offshore ASA), then each Bondholder may at its discretion, by notice to the Issuer, choose to instead receive shares in the Issuer as settlement for the Share Settlement Option. Such notice must be received by the Issuer no later than 10 Business Days after the Issuer gave notice to the Bond Trustee of its exercise of the Share Settlement Option or, if an Expert has been appointed for valuation purposes (as described below), no later than 10 Business Days after the result of the Expert valuation has been made available to the Bondholders.
- 10.4.6 The number of shares in the Issuer to be transferred and delivered to each Bondholder who has exercised the right referred to in Clause 10.4.5 above shall be based on the aggregate principal amount of such Bondholder's Bonds (plus accrued interest until the Maturity Date not paid as Payment-in-Kind Bonds) divided by an equity value of each share in the Issuer calculated as follows:
- 10.4.6.1 The Issuer's book equity value adjusted for (i) the conversion of debt to equity pursuant to the Share Settlement Option and (ii) the difference between the market value and book value of the vessels owned by the Issuer. The market value of the vessels shall be determined using the following procedure:
- (i) Each of the Bond Trustee and the Issuer shall prior to the exercise of the Share Settlement Option engage one ship broker firm each out of the Approved Brokers for the valuation of the vessels;
 - (ii) The ship broker firms so engaged shall deliver their respective valuations (the "**Initial Valuation**") to the Parties within fifteen (15) Business Days following the engagement;
 - (iii) The market value of the vessels shall be set to the average of the Initial Valuations and shall be final and binding on the Parties (save for manifest errors), provided, however, that if the Initial Valuations deviates more than 20%, each of the Parties shall, by written notice to the other Party within two (2) Business Days following receipt of the Initial Valuations, have a right to refer the matter to a third independent ship broker firm (the "**Expert**") to be jointly nominated by the ship broker firms engaged by the Parties for final determination. For the avoidance of doubt, if a written notice has not been given within the said two (2) Business Days' deadline, the average value shall be final and binding on the Parties;
 - (iv) The Expert shall be bound by the range of the aggregate valuations first provided, and its final determination of the aggregate vessel values can accordingly only be within such range; and

- (v) The Expert shall deliver its valuation within fifteen (15) Business Days following engagement and such determination shall be final and binding on the Parties (save for manifest errors).

10.4.7 Any Bondholder who, upon the exercise of the Share Settlement Option by the Issuer, chooses to receive shares in the Issuer in accordance with Clause 10.4.6 above shall be obligated to waive, in writing, all rights it would otherwise have as shareholder to require that its shares should be mandatorily acquired by another shareholder holding at least 90% of the shares in the Issuer.

11 **Payments**

11.1 *Covenant to pay*

11.1.1 The Issuer will on any Payment Date (or any other due date pursuant to any Finance Document) unconditionally pay to or to the order of the Bond Trustee all amounts due under this Bond Agreement or any other Finance Document.

11.1.2 The covenant contained in Clause 11.1.1 shall be for the benefit of the Bond Trustee and the Bondholders.

11.2 *Payment mechanics*

11.2.1 If no specific order is made by the Bond Trustee under Clause 11.1.1, the Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.

11.2.2 Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but if the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question, see however Clause 11.3.

11.2.3 In case of irregular payments, the Bond Trustee may instruct the Issuer, the Bondholders or others of other payment mechanisms than described in Clause 11.2.1 or 11.2.2 above. The Bond Trustee may also obtain payment information regarding Bondholders' accounts from the Securities Depository or Account Managers.

11.2.4 Subject to Clause 11.3, payment by the Issuer in accordance with this Clause 11.1.2 shall constitute good discharge of its obligations under Clause 11.1.1.

11.3 *Currency*

11.3.1 If the Bonds are denominated in other currencies than NOK, each Bondholder has to provide the Paying Agent (either directly or through its Account Manager) with specific payment instructions, including foreign exchange bank account details. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, cash settlement may be delayed, and payment shall be deemed to have been made at the date of the cash settlement,

provided however, that no default interest or other penalty shall accrue for the account of the Issuer.

11.3.2 Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency as the Bonds are denominated in. If, however, the Bondholder has not given instruction as set out in Clause 11.3 within five Business Days prior to a Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder's account in the Securities Depository.

11.3.3 Amounts payable in respect of costs, expenses, taxes and other liabilities of a similar nature shall be payable in the currency in which they are incurred.

11.4 *Set-off and counterclaims*

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

11.5 *Interest in the event of late payment*

11.5.1 In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due date at an interest rate equivalent to the interest rate according to Clause 9 plus five percentage points (5.00%) per annum.

11.5.2 The interest charged under this Clause 11.5 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.

11.5.3 The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 15.1(a), cf. Clauses 15.2 - 15.4.

11.6 *Partial payments*

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

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

In case the Issuer does not pay the Bond Trustee Expenses, the Bond Trustee may seek funding of the Bond Trustee Expenses from other sources, in which case the parties representing such other sources will be subrogated into the position of the Bond Trustee, but subordinated to any further Bond Trustee Expenses.

12 **Issuer's acquisition of Bonds**

The Issuer has the right to acquire and own Bonds (Issuer's Bonds). The Issuer's holding of Bonds shall be discharged.

13 **Covenants**

13.1 *General*

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

13.2 *Information Covenants*

13.2.1 The Issuer shall:

- (a) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default, any event or circumstance which could reasonably be expected to lead to an Event of Default and any other event which could reasonably be expected to have a Material Adverse Effect;
- (b) without being requested to do so, inform the Bond Trustee in writing if the Issuer agrees to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;
- (c) without being requested to do so, prepare Financial Statements and make them available on its website in the English language (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than 120 days after the end of the financial year;
- (d) without being requested to do so, prepare Interim Accounts and make them available on its website in the English language (alternatively by arranging for publication on Stamdata) as soon as they become available, and not later than 60 days after the end of the relevant quarter;
- (e) at the request of the Bond Trustee, report the balance of the Issuer's Bonds;
- (f) without being requested to do so, 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;
- (g) if the Bonds are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange;

- (h) if the Issuer and/or the Bonds are rated, without being requested to do so, inform the Bond Trustee of its and/or the rating of the Bond Issue, and any changes to such rating;
- (i) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond trustee is entitled to receive such information from the Security Depository or Paying Agent directly); and
- (j) within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request.

13.2.2 The Issuer shall at the request of the Bond Trustee provide the documents and information necessary to maintain the listing and quotation of the Bonds on the Exchange (if listed) and to otherwise enable the Bond Trustee to carry out its rights and duties pursuant to this Bond Agreement and the other Finance Documents, as well as applicable laws and regulations.

13.2.3 The Issuer shall in connection with the publication of its financial reports under Clause 13.2.1(c) and (d), confirm to the Bond Trustee in writing the Issuer's compliance with the covenants in this Clause 13, unless the Bond Trustee explicitly waives such requirement. Such confirmation shall be undertaken in a certificate, substantially in the form set out in Attachment 1 hereto, signed by the Chief Executive Officer or Chief Financial Officer of the Issuer (a "**Compliance Certificate**"). In the event of non-compliance, the Compliance Certificate shall describe the non-compliance, the reasons therefore as well as the steps which the Issuer has taken and will take in order to rectify the non-compliance.

Following the Merger, such Compliance Certificate shall also include information regarding the Vessel Pool(s) and parameters on which it is based, the number of vessels in each pool and the earnings distributed to the Issuer and its Subsidiaries from each pool.

13.3 *General Covenants*

(a) *Pari passu ranking*

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

(b) *Mergers*

Other than the Merger, the Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any other Group Company with any other company or entity not being a member of the Group if such transaction would have a Material Adverse Effect.

(c) *De-mergers*

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganization involving a split of the Issuer or any other Group Company into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

(d) Continuation of business

The Issuer shall not cease to carry on its business. The Issuer shall procure that no material change is made to the general nature or scope of the business of the Group from that carried on at the date of this Bond Agreement, or as contemplated by the Bond Agreement, unless such change for any Subsidiary of the Issuer would not have a Material Adverse Effect.

(e) Disposal of business

The Issuer shall not, and shall ensure that no other Group Company shall, sell or otherwise dispose of all or a substantial part of the Group's assets or operations, unless:

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

(f) Related party transactions

Other than the Merger, the Issuer shall not, and shall ensure that no other Group Company shall, enter into any transaction with any related party, except where such transaction comply with all provisions of corporate law applicable to such transactions, including, Section 3-8 of the Private or Public Limited Companies Act 1997, as supported by third party valuations from reputable advisors.

(g) Arm's length transactions

The Issuer shall not, and shall ensure that no other Group Company shall, enter into any transaction with any person except on arm's length terms and for fair market value.

(h) Corporate status

The Issuer shall not change its type of organization or jurisdiction of incorporation.

(i) Compliance with laws

The Issuer shall, and shall ensure that all other Group Companies shall, carry on its business in accordance with acknowledged, careful and sound practices in all aspects and comply in all respects with all laws and regulations it or they may be subject to from time to time. Breach of these obligations shall be regarded as non-compliance only if such breach would have a Material Adverse Effect.

13.4 *The Issuer's special covenants*

(a) *Dividends and other distributions*

The Issuer shall not declare or make any dividend payments, repurchase of shares or make other distributions or loans to its shareholders (including any transaction with similar effect), other than through the exercise of the Call Option and pursuant to the Bond Buy-Back or any other acquisition of Bonds.

(b) *Financial Indebtedness*

The Issuer shall not incur or permit to remain outstanding any Financial Indebtedness (whether secured or unsecured) other than this Bond Issue.

(c) *Negative pledge*

The Issuer shall not create, permit to subsist or allow to exist any mortgage, pledge, lien or any other encumbrance over any of its present or future assets or revenues, other than the Permitted Security.

(d) *Financial support*

Except for the Rem Fortress Loans, the Issuer shall not grant any loans, guarantees or other financial assistance to or on behalf of any party, provided that the Issuer may guarantee the obligations of a Group Company under a charterparty.

(e) *Ownership to Subsidiaries*

The Issuer shall ensure that:

- (i) Rem Maritime and Rem Star AS are wholly owned by the Issuer; and
- (ii) no other Group Company than the Issuer shall own shares in Rem Ship AS, Rem Supply AS, Rem Arctic AS, Rem Fortress AS, Rem Vision AS (for the avoidance of doubt, Rem Ship AS will own the Group's internal partnership in Rem Vision IS).

(f) *Hire Payment*

The Issuer shall ensure that hire to crew is billed in advance to the relevant Subsidiary/vessel.

(g) *Listing of shares*

The Issuer shall ensure that its shares remain listed on Oslo Børs, provided that no such obligation shall apply after completion of the Merger.

(h) *Bond Buy-Back*

The Issuer shall within 30 calendar days after the Issue Date present a buy-back offer for the Bond Issue in the total amount of NOK 60,000,000, to be effected through a reverse Dutch auction (the "**Bond Buy-Back**").

The Issuer shall notify the Bondholders and Bond Trustee in writing of the Bond Buy-Back, including all relevant information necessary for the Bondholders to attend

the Bond Buy-Back within 15 December 2016 (the “**Bond Buy-Back Notice Date**”). The period for the Bondholders to tender bonds in the Bond Buy-Back shall, at the earliest, end 10 Business Days after the Bond Buy-Back Notice Date (the “**Bond Buy-Back Offer Period**”) with settlement for the Bond Buy-Back to be within five Business Days after the Bond Buy-Back Offer Period.

Bonds purchased by the Issuer in accordance with the Bond Buy-Back shall be discharged against the Outstanding Bonds.

(i) *Required Registrations*

The Issuer shall ensure that the Required Registrations are completed as soon as possible after the Issue Date.

(j) *Pool arrangement for vessels*

The Issuer shall ensure that, following the Merger, a pool arrangement is established for the Merged Group for distribution/allocation of profit between vessels in the Merged Group based on neutral parameters such as age, size, equipment etc. (the “**Vessel Pool(s)**”).

The Vessel Pool(s) shall apply to all vessels within each segment, however so that all cash flow from existing contracts (including existing options) will be kept outside the Vessel Pool(s).

13.5 *Rem Maritime's special covenants*

(a) *Financial Indebtedness*

The Issuer shall ensure that Rem Maritime shall not incur or permit to remain outstanding any Financial Indebtedness (whether secured or unsecured).

(b) *Negative pledge*

The Issuer shall ensure that Rem Maritime shall not create, permit to subsist or allow to exist any mortgage, pledge, lien or any other encumbrance over any of its present or future assets or revenues.

(c) *Financial support*

The Issuer shall ensure that Rem Maritime shall not grant any loans, guarantees or other financial assistance to or on behalf of any party.

(d) *Disposal of assets, amendments of contracts etc.*

The Issuer shall ensure that Rem Maritime shall not carry out any disposal of assets, cancellation of contracts or agree on amendments of contracts not being immaterial amendments. If any contract needs to be replaced, prolonged or renewed, Rem Maritime shall ensure (as far as possible) that such contract is replaced, prolonged or renewed on terms in all essentials equal to today's contracts.

(e) *Continued operations*

The Issuer shall ensure that Rem Maritime, following the Merger, will operate the PSV vessels of the Merged Group and Rem Maritime shall maintain certificates necessary for its operation.

14 Fees and expenses

- 14.1 The Issuer shall cover all costs and expenses incurred by it or the Bond Trustee (and/or the Security Agent) in connection with this Bond Agreement and the fulfilment of its obligations under this Bond Agreement or any other Finance Document, including in connection with the negotiation, preparation, execution and enforcement of this Bond Agreement and the other Finance Documents and any registration or notifications relating thereto (including any stamp duty), the listing of the Bonds on an Exchange (if applicable), and the registration and administration of the Bonds in the Securities Depository. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Security under a Finance Documents, to set-off and cover any such costs and expenses.
- 14.2 The fees, costs and expenses payable to the Bond Trustee (and/or the Security Agent) shall be paid by the Issuer and are set out in a separate agreement between the Issuer and the Bond Trustee (and/or the Security Agent).
- 14.3 Fees, costs and expenses payable to the Bond Trustee (or the Security Agent) which, due to the Issuer's insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee (or the Security Agent) in connection with the restructuring or default of the Bond Issue and the enforcement of any Finance Document.
- 14.4 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.
- 14.5 The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to the Bondholders.
- 14.6 If the Issuer is required by law to withhold any withholding tax from any payment under any Finance Document:
 - (a) the amount of the payment due from the Issuer shall be increased to such amount which is necessary to ensure that the Bondholders receive a net amount which is (after making the required withholding) equal to the payment which would have been due if no withholding had been required; and
 - (b) the Issuer shall at the request of the Bond Trustee deliver to the Bond Trustee evidence that the required tax reduction or withholding has been made.
- 14.7 If any withholding tax is imposed due to subsequent changes in applicable law after the date of this Bond Agreement, the Issuer shall have the right to call all but not

some of the Bonds at par value plus accrued interest. Such call shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least thirty - 30 - Business Days prior to the settlement date of the call.

15 Events of Default

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

(a) *Non-payment*

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

(b) *Breach of other obligations*

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

(c) *Cross default*

If for any Group Company:

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

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above of a total of NOK 10,000,000, or the equivalent thereof in other currencies, shall apply.

(d) *Misrepresentations*

Any representation, warranty or statement (including statements in compliance certificates) made under this Bond Agreement or any other Finance Document or in connection therewith is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made.

(e) Insolvency

A Group Company is Insolvent.

(f) Insolvency proceedings and dissolution

If for any Group Company, any corporate action, legal proceedings or other procedure step is taken in relation to:

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

or any analogous procedure or step is taken in any jurisdiction. This paragraph (f) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

(g) Creditors' process

Any Group Company having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in paragraph (c) above.

(h) Dissolution, appointment of liquidator or analogous proceedings

The Issuer is resolved to be dissolved or a liquidator, administrator or the like is appointed or requested to be appointed in respect of the Issuer.

(i) Impossibility or illegality

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

(j) Litigations

There is current, pending or threatened any claims, litigation, arbitration or administrative proceedings against the Issuer which might, if adversely determined, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, is likely to may have a Material Adverse Effect.

(k) Material Adverse Change

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

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

The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document, including any other contractual and non-contractual claims, that are derived therefrom or in connection therewith.

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

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

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

- 15.4 In the event that the Bond Trustee pursuant to the terms of Clauses 15.2 or 15.3 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses.

16 **Bondholders' Meeting**

16.1 *Authority of the Bondholders' Meeting*

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

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

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

16.2 *Procedural rules for Bondholders' meetings*

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

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

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

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

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

16.2.5 The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.

16.2.6 The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting, by serving notice to it to such effect.

16.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.

16.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.

16.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the numbers of Bondholders and Bonds represented at the Bondholders' Meeting, the

resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.

- 16.2.10 The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- 16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

16.3 *Resolutions passed at Bondholders' Meetings*

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

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

- 16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 16.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- 16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in Clause 16.3.5.
- 16.3.5 A majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of this Bond Agreement.
- 16.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.

16.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

16.4 *Repeated Bondholders' Meeting*

16.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.

16.4.2 The procedures and resolutions as set out in 16.2 and 16.3 above also apply for a repeated Bondholders' meeting, however, a valid resolution may be passed at a repeated Bondholders' Meeting even though less than half (1/2) of the Voting Bonds are represented.

17 **The Bond Trustee**

17.1 *The role and authority of the Bond Trustee*

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

17.1.2 The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders' Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.

17.1.3 The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.

17.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 17.1.3 provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and

the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five Business Days following the dispatch of such notification.

- 17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.
- 17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 17.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.
- 17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.
- 17.1.9 The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.
- 17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.

17.2 *Liability and indemnity*

- 17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.
- 17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.
- 17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.3(a) or 16.2.1 (b), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the

Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.

17.3 *Change of Bond Trustee*

- 17.3.1 Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 16. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.
- 17.3.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 14, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.
- 17.3.3 The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set out under the terms of this Bond Agreement.

17.4 *Appointment of Security Agent*

- 17.4.1 The Bond Trustee is appointed to act as Security Agent for the Bond Issue.

The main functions of the Security Agent may include holding Security on behalf of the Bondholders and monitoring compliance by the Issuer and other relevant parties of their respective obligations under this Bond Agreement and/or the Security Documents with respect to the Security.

Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.

- 17.4.2 The functions, rights and obligations of the Security Agent may be determined by a Security Agent agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require the Issuer and any other parties to any Security Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters.

Any changes to this Bond Agreement necessary or appropriate in connection with the appointment of a Security Agent shall be documented in an amendment to this Bond Agreement, signed by the Bond Trustee.

- 17.4.3 If so desired by the Bond Trustee, any or all of the Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

18 **Miscellaneous**

- 18.1 *The community of Bondholders*

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

- (a) the Bondholders are bound by the terms of this Bond Agreement;
- (b) the Bond Trustee has power and authority to act on behalf of, and/or represent; the Bondholders, in all matters, included but not limited to taking any legal or other action, including enforcement of the Bond Issue and/or any Security, opening of bankruptcy or other insolvency proceedings;
- (c) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and
- (d) this Bond Agreement establishes a community between Bondholders meaning that:
 - (i) the Bonds rank *pari passu* between each other;
 - (ii) the Bondholders may not, based on this Bond Agreement, act directly towards, and may not themselves institute legal proceedings against, the Issuer, guarantors or any other third party based on claims derived from the Finance Documents, including but not limited to recover the Bonds, enforcing any Security Interest or pursuing claims against any party as a substitute for damages to the interests under the Finance Documents, regardless of claims being pursued on a contractual or non-contractual basis, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;
 - (iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;
 - (iv) the Bondholders may not cancel the Bondholders' community; and
 - (v) the individual Bondholder may not resign from the Bondholders' community.

18.2 *Bond Defeasance*

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

- (a) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee, or other security accepted by the Bond Trustee, (the “**Defeasance Security**”) in such amounts as will be sufficient for the payment of principal (including if applicable premium payable upon exercise of a Call Option) and interest on the Outstanding Bonds to Maturity Date (or upon an exercise of a Call Option plus applicable premium) or any other amount agreed between the Parties;

- (b) no Event of Default shall have occurred and be continuing on the date of establishment of the Defeasance Security, or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time during any hardening period applicable to the Defeasance Security (or the relevant period for non-Norwegian companies) or any other date agreed between the Parties;
- (c) the Issuer shall have delivered to the Bond Trustee a duly signed certificate that the Defeasance Security was not made by the Issuer with the intent of preferring the Bondholders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and
- (d) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Bond Defeasance including any statements regarding the perfection and enforceability, rights against other creditors (including any hardening period) and other issues regarding the Defeasance Security.

18.2.2 Upon the exercise by the Issuer of the Bond Defeasance:

- (a) the Issuer shall be released from the obligations under all provisions in Clause 13, except Clauses 13.2.1(a), (e), (h), (i) and (j), or as otherwise agreed;
- (b) the Issuer shall not (and shall ensure that all Group Companies shall not) take any actions that may cause the value of the Defeasance Security to be reduced, and shall at the request of the Bond Trustee execute, such further actions as the Bond Trustee may reasonably require;
- (c) any Security other than the Defeasance Security shall be discharged; and
- (d) all other provisions of this Bond Agreement (except (a) – (c) above) shall remain fully in force without any modifications, or as otherwise agreed.

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

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

18.2.4 If the Bonds are secured, the Defeasance Security shall be considered as a replacement of the Security established prior to the Defeasance Security.

18.3 *Limitation of claims*

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

18.4 *Access to information*

- 18.4.1 This Bond Agreement is available to anyone and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee shall not have any obligation to distribute any other information to the Bondholders or others than explicitly stated in this Bond Agreement. The Issuer shall ensure that a copy of this Bond Agreement is available to the general public until all the Bonds have been fully discharged.
- 18.4.2 The Bond Trustee shall, in order to carry out its functions and obligations under this Bond Agreement, have access to the Securities Depository for the purposes of reviewing ownership of the Bonds registered in the Securities Depository.

18.5 *Amendments*

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

18.6 *Notices, contact information*

- 18.6.1 Written notices, warnings, summons etc. to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at Stamdata only. Any such notice or communication shall be deemed to be given or made as follows:
- (a) if by letter via the Securities Depository, when sent from the Securities Depository; and
 - (b) if by publication on Stamdata, when publicly available.
- 18.6.2 The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.
- 18.6.3 Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and the Issuer shall be given or made in writing, by letter, e-mail or fax. Any such notice or communication shall be deemed to be given or made as follows:
- (a) if by letter, when delivered at the address of the relevant Party;
 - (b) if by e-mail, when received; and
 - (c) if by fax, when received.
- 18.6.4 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- 18.6.5 When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):


- (a) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.
- (b) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.
- (c) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.

18.7 *Dispute resolution and legal venue*

- 18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall be governed by Norwegian law.
- 18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall, subject to clause 18.7.3 below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.
- 18.7.3 Clause 18.7.2 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

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

Issuer

By: 
Position: CFO/DEPUTY CEO

Bond Trustee

By: _____
Position: _____

- (a) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.
- (b) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.
- (c) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.

18.7 *Dispute resolution and legal venue*

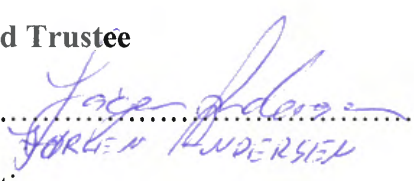
- 18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall be governed by Norwegian law.
- 18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall, subject to clause 18.7.3 below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.
- 18.7.3 Clause 18.7.2 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

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

Issuer

.....
By:
Position:

Bond Trustee

.....
By: 
Position:

Attachment 1**COMPLIANCE CERTIFICATE**

Nordic Trustee ASA
P.O. Box 1470 Vika
N-0116 Oslo
Norway

Fax: + 47 22 87 94 10
E-mail: mail@nordictrustee.com

[date]

Dear Sirs,

Rem Offshore ASA Secured Bond Issue 2016/2024 - ISIN NO 0010779945

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

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

With reference to Clause 13.2.3 we hereby certify that:

1. all information contained herein is true and accurate and there has been no change which would have a Material Adverse Effect on the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you;
2. the covenants set out in Clause 13 are satisfied; and
3. information regarding the Vessel Pool(s) and parameters on which it is based, including the number of vessels in each pool and the earnings distributed to the Issuer and its Subsidiaries from each pool are enclosed.

Copies of our latest consolidated [Financial Statements] / [Interim Accounts] are enclosed.

Yours faithfully,

[The Issuer]

Name of authorized person

Enclosure: *[copy of any written documentation]*