

Securities Note

Floatel International Ltd.
9.75% per annum USD 350,000,000
senior secured bonds 2024/2029

NO0013188102



Joint Bookrunners and Managers:



Important notice

This Securities Note has been approved by the Financial Supervisory Authority of Norway (the "Norwegian FSA") (Finanstilsynet), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the securities that are the subject of this Securities Note. The investors should make their own assessment as to the suitability of investing in the securities described herein.

The Securities Note has been prepared in connection with the listing of the Bonds on Euronext Oslo Børs. This Securities Note together with the Registration Document constitutes the Prospectus. The Prospectus is valid for a period of up to 12 months following its approval by the Norwegian FSA. New information that is significant for the Issuer or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the securities. Such information will be published as a supplement to the Securities Note in accordance with Article 23 of Regulation (EU) 2017/1129. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Issuer or its subsidiaries may not have been changed.

Only the Issuer and the Managers are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

These Securities Note shall be governed and construed in accordance with Norwegian law. The courts of Norway, with the Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Securities Note.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Verification and approval of the Securities Note by Norwegian FSA implies that the Securities Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Issuer and Managers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy Bonds.

The content of the Securities Note does not constitute legal, financial or tax advice and Bond owners should seek legal, financial and/or tax advice.

Contact the Issuer to receive copies of the Securities Note.

Factors which are material for the purpose of assessing the market risks associated with Bond

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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1. Risk factors

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds. An investment in the Bonds entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of its investment.

The material known risk at the date of the Securities Note, in the view of the Issuer, related to these specific bonds are described below. Risks related to the Issuer and Guarantors are described in the Registration Document.

The Group's indebtedness under the Bonds

Following the issuance of the Bonds, the Group will continue to have substantial indebtedness, which could have important consequences for the Bondholders because (a) the Group's ability to obtain additional financing for working capital, capital expenditure, asset acquisitions or general corporate purposes and the Issuer's ability to satisfy its obligations under the Bonds may be impaired in the future; (b) the Group may be more vulnerable to general adverse economic and industry conditions; (c) the Group may be at a competitive disadvantage compared to its competitors with less indebtedness or comparable indebtedness at more favourable interest rates and other terms and as a result, it may not be better positioned to withstand economic downturns; (d) the Group's ability to refinance indebtedness may be limited or the associated costs may increase; and (e) the Group's flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited, or the Group could be prevented from carrying out capital expenditures that are necessary or important to the Group's growth strategy and efforts to improve operating margins or the Group's business.

The value of the collateral securing the Super Senior RCF and the Bonds may not be sufficient to satisfy the Issuer's obligations under the Bonds.

The Bonds are secured by certain security interests in assets owned by members of the Group. Although the Bonds are secured obligations of the Issuer and the Group, the security will be shared with and have priority to enforcement proceeds after the Super Senior RCF that has been raised after the issuance of the Bonds, and rank *pari passu* with any Permitted Hedging Obligations (as defined in the Bond Terms). There is a risk that the realisable value of the assets securing the Super Senior RCF, Bonds and Permitted Hedging Obligations and the Group's other assets will be sufficient to cover all the outstanding Bonds together with accrued interests and expenses in case of a default and/or if the Issuer enters into liquidation. This could result in loss of all or part of an investment in the Bonds and ability to make required payments on or repay the Bonds.

Furthermore, enforcement of the guarantees and security interests by the Security Agent may be an expensive and time-consuming process involving complex legal proceedings, and there can be no certainty that it will be successful. Even if the Senior Secured Bondholders are successful in bringing an action in a jurisdiction, local laws may prevent or restrict the Senior Secured Bondholders from enforcing a judgment against a member of the Group, the Group's assets, or the assets of its officers.

Perfection of security

The rights of the Security Agent to the security may be adversely affected in the event of a failure to perfect security interests in the transaction security at the time of closing and other issues generally associated with the realization of security interests.

Furthermore, under Swedish law, the perfection of security over bank accounts requires that the relevant bank account be blocked. In order to accommodate the day-to-day operations of the Group,

the security to be granted over the certain of the Group's accounts held in Sweden will not be perfected, and the relevant Group companies will retain all disposal rights over such accounts if and until a default has occurred. In the event that a default occurs under the Bond Terms, the Security Agent will take steps to block these bank accounts for perfection purposes. The perfection will be subject to hardening periods under Swedish law. It cannot be ruled out that the funds deposited on the relevant accounts in an enforcement scenario will be deemed unencumbered due to the lack of perfected security, and thus be shared between all creditors (secured and unsecured) of the Group.

Maritime liens may arise and take priority over the liens securing the Bonds and enforcement of the liens may be subject to significant costs

The mortgages over the Collateral Vessels and other security interests securing the Bonds will rank in priority after maritime liens on the Collateral Vessels.

The categories of claims giving rise to maritime liens and other preferred claims, and the ranking of such liens and claims, vary from one jurisdiction to another, but may include inter alia claims for seaman wages, supplies to the vessels, port, canal and other waterway dues and pilotage dues, salvage, damage caused by the vessels and a number of other claims related to the vessels and their operation. Maritime liens and other preferred claims can attach without any court action, notice, registration, or documentation and accordingly their existence cannot necessarily be identified through court, flag state registry, company registry or other searches.

Any enforcement of the mortgages over the Collateral Vessels and other security interests securing the Bonds against the Collateral Vessels may be subject to substantial costs, including for example costs of arresting the Collateral Vessels, lay up costs pending an auction sale, legal fees, court fees and other costs and expenses which may need to be paid prior to proceeds being transferred to Bond Trustee and which may be significant.

The enforcement of rights, security and judgements in relation to the Bonds across multiple jurisdictions may prove difficult

The Issuer is incorporated in Bermuda and the Guarantors are incorporated in a variety of jurisdictions including, without limitation, Bermuda, Norway, Singapore and the United Kingdom. The insolvency laws applicable in Bermuda, the United Kingdom and Singapore are different from the insolvency laws of Norway. As the Issuer is incorporated in Bermuda, and Bermuda courts could have jurisdiction to, inter alia, hear any petition to wind up the Issuer, initiate insolvency proceedings against the Issuer or order and supervise a compulsory liquidation of the Issuer in appropriate circumstances, as applicable pursuant to Bermuda law. The courts of other jurisdictions might also seek to assert jurisdiction and apply foreign law. The laws of other jurisdictions might also potentially be relevant to the determination of issues arising in winding up or liquidation proceedings in Bermuda, if, for example, the Issuer enters into contracts governed by foreign laws. The Collateral Vessels are mobile and may also be located in international waters outside the jurisdiction of any national courts. This may make it difficult for the Security Agent to bring a successful enforcement action against the Collateral Vessels. The majority of the members of the Issuer's Board of Directors reside outside of Norway. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Issuer, to enforce against such persons or the Issuer judgments obtained in Norwegian courts, or to enforce judgments on such persons or the Issuer in other jurisdictions. Local laws may prevent or restrict bondholders from enforcing a judgment against the Group's assets, and the assets of its directors.

Intercreditor Agreement

The Bond Trustee, the Security Agent and any agents and trustees under Super Senior RCFs, the Bonds and any "Permitted Hedging Obligations", on behalf of the lenders and the creditors under each such agreement shall enter an intercreditor agreement with respect to the priority of the liens and security interests and guarantees over the collateral and related creditors' rights, and with standstill periods and waterfall provisions following payment received in connection with enforcement to give effect to the agreed priorities. The Security Agent will not be able to force a sale of assets

subject to security interests or enforce guarantees and other related creditor's rights independently of the terms of the intercreditor agreement.

A trading market for the Bonds may not develop and the market price of the Bonds may be volatile
The Bonds will be new securities for which there is currently no trading market. Even though the Issuer will apply for a listing of the Bonds on the Euronext Oslo Børs, the Issuer has not and does not expect to enter into any market-making scheme to ensure liquidity in the Bonds. Even if the Bonds are admitted to trading, active trading in the Bonds may not occur and a liquid market for trading in the Bonds may not develop. If an active trading market were to exist, the Bonds could trade at prices that may be lower than the principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar notes and the Group's financial performance and outlook. Further to this, the market for non-investment grade debt has historically been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Bonds. Any such disruptions could adversely affect the prices at which investors may sell their Bonds.

As a result of any of the foregoing, Bondholders may find it difficult or impossible to trade their Bonds when desired or at a price level which allows for a profit comparable to similar investments.

The Bond Terms will allow for modification of the Bonds or waivers

The Bond Terms will contain provisions for calling meetings of the Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all the Bondholders, including the Bondholders who did not attend and vote at the relevant meeting and the Bondholders who voted in a manner contrary to the majority. The Bond Trustee may, without the consent of the Bondholders, agree to certain modifications of the Bond Terms and other finance documents related thereto which, in the opinion of the Bond Trustee, are proper to make. Such modifications which will be binding upon the Bondholders and is further described in the Bond Terms.

The Bonds may be subject to optional redemption by the Issuer

The terms and conditions of the Bonds provide that the Bonds are subject to optional redemption by the Issuer at the prices calculated in accordance with the terms and conditions of the Bond Terms. During any period when the Issuer may elect to redeem the Bonds, the market value of the Bonds will generally not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem the Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Change of control

Upon the occurrence of a change of control event affecting the Issuer, the Bondholders will have a right to require the Issuer to redeem the Bonds at 101% of their principal amount, plus accrued and unpaid interest. However, it is possible that the Issuer will not have sufficient funds at the time of such change of control event to make the required redemption of Bonds without obtaining additional equity or new debt funding. Such funding may not be available to the Issuer.

Mandatory prepayment events

The terms and conditions of the Bonds provide that the Bonds are subject to mandatory prepayment by the Issuer on the occurrence of certain specified events at the prices set out in the terms and conditions of the Bond Terms. Following any early redemption after the occurrence of a mandatory prepayment event, it may not be possible for the Bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate. It is further possible that the Issuer will not have sufficient funds at the time of the mandatory prepayment event to make the required redemption of Bonds.

Cross default provisions may cause an event of default under the Bond Terms

The Bond Terms (see Clause 14 of the Bond Terms) provides for cross default should an event of default occur under any other financing arrangement of the Group, provided that the aggregate amount of relevant Financial Indebtedness is in excess of USD 15 million. In such a scenario, the default under another financing arrangement could trigger an event of default under the Bond Terms, potentially leading to accelerated repayment obligations and enforcement of security interests, which in turn may materially and adversely affect the Group's business, prospects, financial position and liquidity.

The possible offer of additional Bonds entails risks for investors

The Issuer reserves the right to increase the Bonds through a tap issue in accordance with the Bond Terms. This may result in a decrease in the market value of the Bonds issued to date. Consequently, selling the Bonds before their final maturity might only be possible under less favorable conditions or potentially not at all. Investors who recognize the Bonds in their balance sheets write-downs might have to be recognised. Due to the increase in the size of the Bonds, the amount of the Issuer's indebtedness through the Bonds may be greater than investors realise. As all these Bonds rank *pari passu* in terms of interest and redemption payments, the Issuer's ability to make interest and redemption payments may be spread over more notes than investors assume. This could result in the Issuer not being able to make interest and principal payments in full on the larger number of notes.

2. Person responsible

RESPONSIBLE FOR THE INFORMATION

Responsible for the information given in the Prospectus are as follows:

Floatel International Ltd.,
Dronning Eufemias gate 8,
0191 Oslo,
Norway.

DECLARATION BY RESPONSIBLE

Floatel International Ltd. confirms that the information contained in the Prospectus is, to the best of our knowledge, in accordance with the facts and the Prospectus makes no omission likely to affect its import.

19.12.2024

Floatel International Ltd

Competent authority approval

The Securities Note has been approved by the Financial Supervisory Authority of Norway (the "Norwegian FSA") (Finanstilsynet), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. The investors should make their own assessment as to the suitability of investing in the securities.

3. Information concerning the securities

ISIN:	NO0013188102.
The Bonds:	Floatel International Ltd. 9.75% per annum USD 350,000,000 senior secured bonds 2024/2029.
Issuer:	Floatel International Ltd., an exempted company existing under the laws of Bermuda with registration number 38902 and LEI-code 549300WL84OZOSWF0U42.
Security Type:	Senior secured open bonds with fixed rate.
Guarantor:	<p>As of the date of this Securities Note, the Guarantors means;</p> <ul style="list-style-type: none"> (a) the Vessel Holdco; (b) the Vessel Owners; and (c) the Vessel Operators. <p>“Vessel Holdco” means Floatel Rigs Ltd., an exempted company existing under the laws of Bermuda with registration number 202100256.</p> <p>“Vessel Owners” means each Group Company owning any of the Collateral Vessels and any company within the Group which becomes an owner of a Collateral Vessel, and which at the Issue Date comprise:</p> <ul style="list-style-type: none"> (a) Floatel Superior Ltd., (b) Floatel Reliance Ltd., (c) Floatel Victory Ltd., (d) Floatel Endurance Ltd.; and (e) Floatel Triumph Ltd. <p>“Vessel Operators” means any Group Company entering into Internal Charters with Vessel Owners from time to time (provided that this shall not include Local Service Companies), and which at the Issue Date comprise:</p> <ul style="list-style-type: none"> (a) Floatel Singapore Pte. Ltd.; (b) Floatel UK Contractor Ltd.; and (c) Floatel Operations AS.
Guarantee:	<p>Means any joint and several unconditional and irrevocable Norwegian law guarantees (<i>Nw: selvskyldnerkausjon</i>) or similar under applicable law from each of the Guarantors, which shall constitute senior obligations of such Guarantors.</p>

As continuing security for the due and punctual payment, discharge and performance of the Secured Obligations, each Guarantor hereby, jointly and severally, irrevocably and unconditionally, on the terms and conditions set out in the Guarantee, guarantees as independent primary obligors (*Nw: selvskyldnerkausjonist*) to the Security Agent (on behalf of the Secured Parties) the payment, discharge and punctual performance of the Secured Obligations on the Security Agent's demand until the expiry of the Guarantee Period.

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Each Guarantor hereby irrevocably and unconditionally undertakes with the Security Agent (on behalf of the Secured Parties) that it shall pay any amount owed by a Guarantor in connection with the Secured Obligations as if it was the principal obligor.

Each Guarantor hereby irrevocably and unconditionally indemnifies the Security Agent (on behalf of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Secured Obligations is or becomes unenforceable, invalid or illegal.

The Guarantee agreement is attached to this Securities Note.

Maximum Issue Amount:	USD 400,000,000
Initial Bond Issue:	USD 350,000,000
Outstanding Bonds:	USD 350,000,000
Nominal Amount of each Bond:	USD 125,000 - each and among themselves <i>pari passu</i> ranking.
Securities Form:	The Bonds are electronically registered in book-entry form with the CSD.
Issue Date:	10 April 2024.
Interest Accrual Date:	Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	10 April 2029, adjusted according to the Business Day Convention.
Interest Rate:	9.75 per cent per annum.
Interest Payment Date:	Means the last day of each Interest Period, the first Interest Payment Date being 10 October 2024 and the last Interest Payment Date being the Maturity Date.
Interest Period:	Subject to adjustment in accordance with the Business Day Convention, the periods between 10 April and 10 October each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
Interest:	Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
	Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph above.

Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:

- (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month, or
- (ii) the last day of the relevant Interest Period is the last calendar day of the month of February, in which case the month of February shall not be lengthened to a 30-day month).

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

Business Day Convention: Means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

Payment Date: Means any Interest Payment Date or any Repayment Date.

Issue Price: 96.00 per cent. of the Nominal Amount.

Yield: Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par). If the price has increased, the yield for the purchaser in the secondary market will be lower than the Interest Rate of the Bonds and vice versa. As of the Issue Date, the yield to maturity was 11.3%.

The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» <https://finansfag.no/publikasjoner/>¹ prepared by Norske Finansanalytikeres Forening in March 2022.

Business Day: Means a day on which both the relevant CSD settlement system and the relevant settlement system for the Bond Currency is open and banks generally are open for business in Oslo, Stockholm, London and New York.

Redemption of Bonds: Subject to paragraph below, the Bonds shall be repaid (by way of redemption of Bonds) semi-annually, the first time being the Interest Payment Date falling twelve (12) months after the Issue Date, 10 April 2025, and each Interest Payment Date thereafter in amounts equal to the Amortisation Amount.

¹ Disclaimer - the information on the website does not form part of this Securities Note unless information is incorporated by reference into the Securities Note

The remaining Outstanding Bonds shall be redeemed by the Issuer on the Maturity Date.

Any Bonds redeemed in accordance with the above shall be repaid at a price equal to 100 per cent. of the Nominal Amount (plus accrued interest on the redeemed Bonds) and part redemption of Bonds shall be applied pro rata between the Bondholders in accordance with the procedures of CSD.

Amortisation Amount: Mean USD 15,000,000 semi-annually.

Voluntary early redemption – Call Option:

The Issuer may redeem all or part of the Outstanding Bonds on any Business Day (the "**Call Option**") from and including:

- (i) the Issue Date to, but excluding, the First Call Date at a price equal to the Make Whole Amount;
- (ii) the First Call Date to, but excluding, the Interest Payment Date in April 2027 at a price equal to 104.875 per cent. of the Nominal Amount of the redeemed Bonds (the "**First Call Price**");
- (iii) the Interest Payment Date in April 2027 to, but excluding, the Interest Payment Date in October 2027 at a price equal to 103.90 per cent. of the Nominal Amount of the redeemed Bonds;
- (iv) the Interest Payment Date in October 2027 to, but excluding, the Interest Payment Date in April 2028 at a price equal to 102.925 per cent. of the Nominal Amount of the redeemed Bonds;
- (v) the Interest Payment Date in April 2028 to, but excluding, the Interest Payment Date in October 2028 at a price equal to 101.95 per cent. of the Nominal Amount of the redeemed Bonds; and
- (vi) the Interest Payment Date in October 2028 to, but excluding, the Maturity Date at a price equal to 100 per cent. of the Nominal Amount of the redeemed Bonds,

in each case, including any accrued but unpaid interest on the redeemed Bonds.

Any redemption of Bonds pursuant to the Bond Terms Clause 10.2 (a) shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.

The Call Option may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least ten (10), but not more than twenty (20), Business Days prior to the proposed Call Option Repayment Date. Any call notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent has not been lifted by that date, the call notice shall be null and void. Unless the Make Whole Amount is set out in the written notice where the Issuer exercise the Call Option, the Issuer shall calculate the Make Whole

Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.

Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

If the Bonds shall be redeemed in full following the Call Option or at the Maturity Date, the entire amount on the Earnings Accounts may be used as partial payment in accordance with the waterfall provisions under the Intercreditor Agreement.

Mandatory repurchase due to a Change of Control Event:

Upon the occurrence of a Change of Control Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder, at a price equal to 101 per cent. of the Nominal Amount (plus accrued and unpaid interest on the repurchased Bonds).

The Put Option must be exercised no later than 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Change of Control Event has occurred pursuant to the Bond Terms Clause 12.3 (*Change of Control Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.

Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of the 15 Business Days exercise period referred to in the Bond Terms 10.3 paragraph (b). However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.

If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to the Bond Terms Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in the Bond Terms Clause 10.3 paragraph (a) by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such prepayment may occur at the earliest on the 15th calendar day following the date of such notification.

Early redemption option due to a tax event:

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to the Bond Terms Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of the Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a

price equal to 100.00 per cent. of the Nominal Amount of the Outstanding Bonds (plus accrued interest since the last Interest Payment Date). The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 45 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

Early redemption due to a
Mandatory Prepayment Event:

Upon the occurrence of a Mandatory Prepayment Event, the Issuer shall, at the day the relevant Group Company receives the proceeds following the relevant Mandatory Prepayment Event, apply such proceeds after deducting any reasonable and documented expenses in relation to that Mandatory Prepayment Event which are incurred by any Group Company to persons who are not a Group Company, provided that if such proceeds exceed the Redemption Amount, they shall be capped at the Redemption Amount (the "**Net Disposal Proceeds**"), then (i) (if required pursuant to the terms of any Revolving Credit Facility) prepay and cancel any Revolving Credit Facility (and provided that the RCF Maximum Commitment is reduced with the corresponding amount as any cancelled commitments) and (ii) the surplus (if any) of any remaining Net Disposal Proceeds shall be applied in discharge of Bonds at a redemption price equal to the First Call Price if the Mandatory Prepayment Event occurs prior to the First Call Date and at the prevailing redemption price as set out under the Bond Terms Clause 10.2 (*Voluntary early redemption – Call Option*) above if such Mandatory Prepayment Event occurs at the First Call Date or any time thereafter. The above shall not apply if any Mandatory Prepayment Event results in Net Disposal Proceeds being less than USD 10,000,000. Any redemption of the Bonds in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

Total Loss Event or Piracy Event:

Upon the occurrence of a Piracy Event or a Total Loss Event, the Issuer shall as soon as the net insurance proceeds are available and in any event no later than 180 days following the Total Loss Event or Piracy Event (as the case may be), apply such insurance proceeds after deducting any reasonable and documented expenses in relation to that insurance claim which are incurred by any Group Company to persons who are not a Group Company provided that if such proceeds exceed the Redemption Amount, they shall be capped at the Redemption Amount (the "**Net Insurance Proceeds**"), then (i) (if required pursuant to the terms of any Revolving Credit Facility) prepay and cancel any Revolving Credit Facility (and provided that the RCF Maximum Commitment is reduced with the corresponding amount as any cancelled commitments), and (ii) the surplus (if any) of any remaining proceeds shall be applied in discharge of the Bonds at a price equal to 100.00 per cent. of the Nominal Amount. The above shall not apply if any Piracy Event or Total Loss Event results in Net Insurance Proceeds being less than USD

	10,000,000. Any redemption of the Bonds in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.
Mandatory early redemption due to a Mandatory Redemption Event:	<p>Upon a Mandatory Redemption Event, the Issuer shall, within 5 Business Days after the Mandatory Redemption Event, redeem all of the Outstanding Bonds at a price of 101.00 per cent. of the Nominal Amount, plus any accrued and unpaid interest on the Bonds to be redeemed.</p> <p>The Issuer may apply for such redemption (a) the funds deposited on the Escrow Account and any other account (if applicable) and (b) Existing Bonds deposited on the Bond Escrow Account, by re-exchanging the Initial Temporary Bonds to Existing Bonds at par (plus accrued interest) and a one (1) per cent. premium.</p>
Repayment Date:	Means any date for redemption of Outstanding Bonds in accordance with the Bond Terms Clause 10 (<i>Redemption and Repurchase of Bonds</i>), any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.
Change of Control Event:	Means any event where any person or group of persons acting in concert (except Keppel or its Affiliates), other than in respect of a Permitted Reorganisation, gains Decisive Influence over the Issuer.
Redemption:	Matured interest and matured principal will be credited to each Bondholder directly from the CSD. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of 18 May 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Status of the Bonds:	<p>The Bonds shall constitute senior debt obligations of the Issuer and will rank <i>pari passu</i> between themselves and at least <i>pari passu</i> 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).</p> <p>With effect from the release of the Net Proceeds from the Escrow Account, the Bonds will be secured on a <i>pari passu</i> basis with the claims of the other Secured Parties in respect of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge), subject to the super senior status of any Revolving Credit Facility. Any Revolving Credit Facility will receive (i) the proceeds from any enforcement of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Bondholders and the Hedge Counterparties (but otherwise rank <i>pari passu</i> in right of payment with the Bonds) in accordance with the waterfall provisions of the Intercreditor Agreement.</p>

Transaction Security:

As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent (on behalf of the Secured Parties), except for the Escrow Account Pledge and the Bond Escrow Account Pledge which shall only be granted in favour of the Bond Trustee (on behalf of the Bondholders subscribing for Bonds with an offer to settle the Bonds in cash or Initial Temporary Bonds), in accordance with the terms of the Intercreditor Agreement, on first priority within the times agreed in the Bond Terms Clause 6 (*Conditions for disbursement*), subject to any mandatory limitations under applicable law:

- (i) the Escrow Account Pledge and the Bond Escrow Account Pledge; and
- (ii) the Pre-Disbursement Security,

provided, for the avoidance of doubt, that the Bonds shall be secured by the same Security as any Revolving Credit Facilities in accordance with the terms of the Intercreditor Agreement.

The following shall apply for Assignment of Earnings in respect of Qualified Charter Contracts:

- (i) If an Obligor enters into a Qualified Charter Contract, the relevant Obligor shall as soon as reasonably practicable execute an Assignment of Earnings with respect to such Qualified Charter Contract (it being understood that any Assignment of Earnings shall not be a condition precedent for disbursement of the Net Proceeds of the Initial Issue Amount from the Escrow Account and the Existing Bonds that are subject to Roll-Over from the Bond Escrow Accounts).
- (ii) If, following execution of an Assignment of Earnings:
 - (A) the Issuer (in its sole discretion) designates another Collateral Vessel or Additional Vessel for utilization and performance of services under the relevant Qualified Charter Contract;
 - (B) the Issuer (in its sole discretion) designates another Vessel Owner, Vessel Operator and/or Additional Vessel Owner as the contract party for the relevant Qualified Charter Contract;
 - (C) the relevant Qualified Charter Contract has expired; or
 - (D) the relevant Obligor is no longer involved in the ownership or operation of a Collateral Vessel, the relevant Obligors and the Security Agent shall enter into such documents as may be reasonably required to transfer and/or terminate the Assignment of Earnings.
- (iii) For the avoidance of doubt, the Obligors shall not be required to seek consent from clients to any Assignment of Earnings.

The Pre-Disbursement Security shall be granted on first priority in favour of the Security Agent (on behalf of the Secured Parties (as defined in the Intercreditor Agreement) (unless the Intercreditor Agreement does not require such Security to be

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	shared between the Secured Parties). The Bond Trustee will, to the extent permitted by applicable law, be appointed to act as initial Security Agent in respect of the Pre-Disbursement Security and any other Security, and may where permitted (pursuant to the terms of the Intercreditor Agreement) release (i) any Guarantee and Security over assets which are sold or otherwise disposed of (directly or indirectly) in any merger, de-merger or disposal permitted by the Debt Documents (as defined in the Intercreditor Agreement), (ii) Guarantee and Security from companies that ceases to be a Vessel Operator or (iii) any Guarantee and Security which is otherwise no longer required to be provided pursuant to the terms of the Debt Documents (as defined in the Intercreditor Agreement).
Information undertakings:	For information regarding information undertakings, please see the Bond Terms Clause 12.
General and financial undertakings and vessel covenants:	Information regarding General and financial undertakings and vessel covenants, please see the Bond Terms Clause 13.
Events of default and acceleration of the Bonds:	Information regarding Events of default and acceleration of the Bonds, please see the Bond Terms Clause 14.
Use of proceeds:	<p>The Issuer used the Net Proceeds – approx. USD 336 - from the Initial Bond Issue towards redemption of the Existing Bonds plus any interest, premium, fees and costs for the Existing Bonds and the issuance.</p> <p>The Net Proceeds from the issuance of any Additional Bonds shall, if not otherwise stated, be applied towards:</p> <ul style="list-style-type: none"> (i) funding of capital expenditure in respect of the Collateral Vessels; and/or (ii) financing of acquisitions of new or second-hand accommodation and construction support vessels which shall become Collateral Vessels.
Approvals:	The Bonds have been issued in accordance with the Issuer's Board approval dated 26.03.2024.
Listing:	An application for listing will be sent to Euronext Oslo Børs. Listing will take place as soon as possible after this Prospectus has been approved by the Norwegian FSA.
Bond Terms:	<p>The Bond Terms have been entered into between the Issuer and the Bond Trustee. The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>When Bonds are purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms.</p>

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	Information regarding Bondholders' meeting and the Bondholder's right to vote are described in the Bond Terms Clause 15.
	For information regarding the role of the Bond Trustee, see Bond Terms Clause 16.
	The Bond Terms is attached to this Securities Note.
Documentation:	Registration Document, Securities Note including the Bond Terms and the Guarantee.
Availability of the Documentation:	www.floatel.no and www.euronext.com/nb/markets/oslo (following admission to trading of the Bonds on Euronext Oslo Børs)
Bond Trustee:	Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Security Agent:	Means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.
Joint Bookrunners and Managers:	DNB Markets, a part of DNB Bank ASA; and Pareto Securities AS.
Paying Agent:	Nordic Trustee Services AS, P.O. Box 1470 Vika, Norway. The Paying Agent is in charge of keeping the records in the Securities Depository.
Listing Agent:	Nordic Trustee Services AS, P.O. Box 1470 Vika, Norway.
Central Securities Depository (CSD):	The central securities depository in which the Bonds are registered, being Euronext Securities Oslo (Verdipapirsentralen ASA (VPS)), P.O. Box 1174 Sentrum, 0107 Oslo, Norway.
Market-Making:	There is no market-making agreement entered into in connection with the Bonds.
Governing law and jurisdiction:	The Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions. For more information, please see the Bond Terms Clause 19.
Relevant Jurisdiction:	Means the country in which the Bonds are issued, being Norway.
Fees, Expenses and Tax legislation:	The Issuer shall pay any stamp duty and other public fees accruing in connection with issuance of the Bonds or the Security Documents, but not in respect of trading of the Bonds in the secondary market (except to the extent required by applicable laws), and the Issuer shall deduct before payment to the Bondholders at source any applicable withholding tax payable pursuant to law. At the date of this Prospectus, there is no withholding tax on bonds in Norway.

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The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.

Fees:

Total expenses related to the issue of NO0013188102:
Prospectus fee (FSA): NOK 120 000
Listing fee 2024 (Euronext Oslo Børs): NOK 16 500
Registration fee (Euronext Oslo Børs): NOK 40 000
Listing Agent: NOK 200 000

Transfer restrictions:

The Bonds are freely transferable and may be pledged, subject to the following:

- a) Bondholders located in the United States will not be permitted to transfer the Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act in a transaction on the relevant exchange, and (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available).
- b) 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 local laws and regulations applicable at own cost and expense.
- c) Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under the Bond Terms.

4. Definitions

Due to the extensive number of definitions, and unless otherwise defined in this Securities Note, capitalized terms used in this Securities Note shall have the meaning given to such terms in Clause 1.1 "*Definitions*" in the Bond Terms (attached as Appendix 1 to this Securities Note).

"**Bond Terms**" means the Bond Terms dated 5th April 2024.

"**Norwegian FSA**" means the Financial Supervisory Authority of Norway (*Nw: Finanstilsynet*).

"**Prospectus**" means the Registration Document and Securities Note together.

"**Registration Document**" means the Issuers Registration Document dated 19th December 2024.

"**Securities Note**" means this document dated 19th December 2024.

"**Super Senior RCF**" means a super senior revolving credit facility agreement for an amount not exceeding USD 25,000,000 dated 13 June 2024 with a termination date on 13 December 2027 between the Issuer as borrower and Pareto Bank ASA as lender.

5. Additional information

Floatel International Ltd. mandated DNB Markets, a part of DNB Bank ASA and Pareto Securities AS as Joint Bookrunners and Managers for the issuance of the Bonds. The Managers have acted as advisor to Floatel International Ltd. in relation to the pricing of the Bonds.

The Managers and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Securities Note and may perform or seek to perform financial advisory or banking services related to such instruments. The Manager's corporate finance departments may act as manager or co-manager for this Issuer in private and/or public placement and/or resale not publicly available or commonly known.

Statement from the Listing Agent:

Nordic Trustee Services AS, acting as Listing Agent, has assisted the Issuer in preparing this Securities Note. The Listing Agent has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Listing Agent expressly disclaims any legal or financial liability as to the accuracy or completeness of the information contained in this Securities Note or any other information supplied in connection with Bonds issued by the Issuer or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer. Each person receiving this Securities Note acknowledges that such person has not relied on the Listing Agent nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

6. Appendix:

- Bond Terms
- Guarantee

5 April 2024

Bond Terms

**for
Floatel International Ltd.**

**9.75% per annum USD 350,000,000 senior secured bonds 2024/2029
ISIN NO0013188102
Initial Temporary Bonds ISINs**

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Bond Terms dated 5 April 2024 between the following parties:

- (1) **Floatel International Ltd.**, an exempted company existing under the laws of Bermuda with registration number 38902 and LEI-code 549300WL84OZOSWF0U42 as “**Issuer**”; and
- (2) **Nordic Trustee AS**, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85 as “**Bond Trustee**”

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

IT IS AGREED as follows

1 INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“**1L Existing Bond Issue**” means, collectively:

- (a) the cash pay bonds with ISIN NO001 0950868 (the “**1L Existing Cash Pay Bonds**”);
- (b) the PIK pay bonds with ISIN NO001 0950876 (the “**1L Existing PIK Pay Bonds**”); and
- (c) the PIK interest bonds with ISIN NO001 0950884 (the “**1L Existing PIK Interest Bonds**”).

“**1L Existing Bonds**” means the bonds issued under the 1L Existing Bond Issue.

“**Acceptable Bank**” means (a) any Nordic banking institution or (b) any other bank having a credit rating of A- or better.

“**Accounting Standard**” means IFRS.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Additional Secured Debt**” means any secured Financial Indebtedness (including any refinancing thereof) incurred by the Issuer or an Additional Vessel Owner after the Issue Date (or existing in an Additional Vessel Owner acquired after the Issue Date) if such Financial Indebtedness (i) meets the Incurrence Test (if applicable), (ii) is used to finance an Additional Vessel in an Additional Vessel Owner and/or the acquisition of an Additional Vessel Owner, (iii) is incurred by the Issuer or the Additional Vessel Owner as a result of a separate bond issue, direct lending, financing in a commercial bank or from debt capital funds, seller's credits (directly or arranged by seller) and/or leasing arrangements and (iv) does not create any contractual obligation or encumbrance restricting the Additional Vessel Owner's right to make or pay loans, pay dividends or make other Distributions to its shareholders until an event of default has occurred thereunder.

“**Additional Vessel**” means new or second hand accommodation and construction support vessels owned by an Additional Vessel Owner or acquired by the Group not being a Collateral Vessel.

“**Additional Vessel Owner**” means a separate company owned or acquired by the Group (which is not a Vessel Owner or Vessel Operator) owning (directly or indirectly), purchasing, leasing or entering into or acquiring construction contracts for additional accommodation and construction support vessels and/or being established for the purpose of leasing, owning, operating and holding any related assets (including shares in an Additional Vessel Owner) with respect to such additional accommodation and construction support vessels.

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

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

“**Amortisation**” means the amortisation of Bonds that the Issuer is required to make pursuant to Clause 10.1 (*Redemption of Bonds*).

“**Amortisation Amount**” shall mean USD 15,000,000 semi-annually.

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

“**Approved Brokers**” means Clarksons, Fearnley Offshore, MB Shipbrokers and Pareto Offshore or another reputable independent broker approved by the Bond Trustee.

“**Approved Classification Society**” means ABS, Bureau Veritas, DNV, Lloyd's Register of Shipping or a classification society that is full member of the International Association of Classification Societies or another classification society approved by the Bond Trustee.

“**Approved Flag State**” means Bahamas, Bermuda, Cyprus, Denmark, Germany, the United Kingdom, Hong Kong, the Isle of Man, the Cayman Islands, Liberia, Malta, the Marshall Islands, the Netherlands, Sweden, Norway, Panama, Singapore or another flag state approved by the Bond Trustee.

“**Approved Jurisdiction**” means Bahamas, Bermuda, Cyprus, Denmark, Germany, England & Wales, Scotland, Hong Kong, the Isle of Man, the Cayman Islands, Liberia, Malta, the Marshall Islands, the Netherlands, Sweden, Norway, Panama, Singapore or another jurisdiction approved by the Bond Trustee.

“**Assignment of Earnings**” means assignment by each Vessel Owner and Vessel Operator of all Earnings payable to it under Qualified Charter Contracts.

“**Assignment of Insurances**” means assignment of insurances of the Collateral Vessels granted by the Vessel Owners and the Vessel Operators.

“**Assignment of Intercompany Loans**” means assignments of the rights of any Obligor to receive payment under any current or future loans provided to the Vessel Holdco and Vessel Owners under any Intercompany Loans.

“**Assignment of Internal Agreements**” means any and all rights any Vessel Owner and/or Vessel Operator has in relation to (i) chartering out of Collateral Vessels under Internal Charters and (ii) rights to receive services under commercial management agreements, technical management agreements and crewing agreements with Group Companies in respect of Collateral Vessels.

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

“**Banker's Lien**” means any lien granted in favour of banking institutions encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking industry.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Escrow Account**” means an account in the name of the Issuer established in the CSD to which Existing Bonds (used as payment-in-kind for the Initial Temporary Bonds) will be credited once all conditions precedent referred to in paragraph (a) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been satisfied or waived.

“**Bond Escrow Account Pledge**” means the first priority pledge over the Bond Escrow Account in favour of the Bond Trustee on behalf of the Bondholders and blocked so that no withdrawals can be made therefrom without the Bond Trustee’s prior written consent.

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

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

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

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

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“**Bonds**” means (a) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds and any Initial Temporary Bonds and (b) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Book Equity**” means (on a consolidated basis) the Group’s total equity (in accordance with the Accounting Standard) according to the latest Financial Report.

“**Book Equity Ratio**” means the ratio of Book Equity to Total Assets.

“**Borrowings**” means any interest-bearing debt as presented in the Financial Reports, calculated in accordance with the Accounting Standard.

“**Business Day**” means a day on which both the relevant CSD settlement system and the relevant settlement system for the Bond Currency is open and banks generally are open for business in Oslo, Stockholm, London and New York.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

“**Call Option**” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Cash and Cash Equivalents**” means, at any date, the aggregate amount of freely available cash and cash equivalents, in each case reported in accordance with the Accounting Standard, including without limitation:

- (a) cash in hand or on freely available deposit with any bank or financial institution; and
- (b) certificates of deposits or marketable debt securities (including money market funds) with a maturity of twelve (12) months or less after the relevant date of calculation, issued by an arranger or a financial institution which has a rating for its long term unsecured and non-credit enhanced debt obligations with A or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 or higher by Moody's Investor Services Limited or a comparable rating from an internationally recognised rating agency,

in each case to which a Group Company is beneficially entitled at the time and to which it has free and unrestricted access and which is not subject to Security (other than any Banker's Lien and/or Transaction Security).

“**Cash Pool**” means any cash pool account system/ICP international cash pool system of the Group with the Cash Pool Provider from time to time, including (to the extent applicable) one or several cash pool arrangements and any liquidity optimisation arrangement linking such cash pools.

“**Cash Pool Provider**” means a financial institution at the Issuer's choice which is an Acceptable Bank.

“**Change of Control Event**” means any event where any person or group of persons acting in concert (except Keppel or its Affiliates), other than in respect of a Permitted Reorganisation, gains Decisive Influence over the Issuer.

“**Charter Contract**” means any charter contract or other contract of employment between a Vessel Owner or Vessel Operator, as well as a Local Service Company (if applicable), and a third party charterer or client in respect of any of the Collateral Vessels.

“**Collateral Vessels**” means:

- (a) “**Floatel Superior**”, being a harsh environment accommodation rig delivered from Keppel FELS in Q1 2010;
- (b) “**Floatel Reliance**”, being a harsh environment accommodation rig delivered from Keppel FELS in Q4 2010;
- (c) “**Floatel Victory**”, being a harsh environment accommodation rig delivered from Keppel FELS in Q4 2013;
- (d) “**Floatel Endurance**”, being a harsh environment accommodation rig delivered from Keppel FELS in Q2 2015;
- (e) “**Floatel Triumph**”, being a harsh environment accommodation rig delivered from Keppel FELS in Q3 2016; and
- (f) any accommodation and construction support vessel acquired by the Group and financed by proceeds from a Tap Issue (as from the time of such acquisition).

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

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

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

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

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

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

“**Distribution**” means to (a) declare or make any dividend payment or distribution, whether in cash or kind, (b) repurchase any of its shares or undertake other similar transactions (including, but not limited to total return swaps), or (c) grant any loans or make other distributions or transactions constituting a transfer of value to its shareholders (including repayment of any Subordinated Loans).

“**Earnings**” means all moneys whatsoever which are now, or later become, payable (actually or contingently) to a Vessel Owner or Vessel Operator which arise out of the use of or operation of the Collateral Vessels, including (but not limited to):

- (a) all freight, hire and passage moneys including (without limitation) payments of any nature under any charter or agreement for the employment, use, possession, management and/or operation of the Collateral Vessels payable to a Vessel Owner or Vessel Operator;
- (b) any claim under any guarantees related to freight and hire as a consequence of the operation of the Collateral Vessels payable to a Vessel Owner or Vessel Operator;
- (c) compensation in the event of any requisition of the Collateral Vessels or for the use of the Collateral Vessels by any government authority or other competent authority payable to a Vessel Owner or Vessel Operator;
- (d) remuneration for salvage, towage and other services performed by the Collateral Vessels payable to a Vessel Owner or Vessel Operator;
- (e) demurrage and retention money receivable by a Vessel Owner or Vessel Operator in relation to the Collateral Vessels;
- (f) all moneys which are at any time payable under any insurances in respect of loss of earnings to a Vessel Owner or Vessel Operator in relation to the Collateral Vessel; and
- (g) any other money whatsoever due or to become due to a Vessel Owner or Vessel Operator from third parties in relation to the Collateral Vessels, or otherwise.

“**Earnings Account**” means any earnings accounts in the name of the relevant Vessel Owner and/or Vessel Operator (as the case may be) to which all earnings under Charter Contracts relating to the Collateral Vessels are to be paid into, provided however that all amounts deposited to the Earnings Accounts shall be freely available to the Group unless and until an Event of Default has occurred and is continuing and the account bank has received a notification from the Bond Trustee that an Event of Default has occurred and is continuing and that the accounts shall thereafter be blocked.

“**EBITDA**” means, in respect of the Relevant Period, the consolidated operating profit of the Group from ordinary activities (excluding the results from discontinued operations):

- (a) before deducting any amount of tax on profits, gains or income whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) before deducting any interest expenses, finance charges or amounts accrued in the nature of non-cash interest payable in respect of any loan;
- (c) not including any interest receivable by or accruing in favour of any member of the Group;
- (d) after adding back any amount attributable to the amortisation, depreciation or impairment of assets;
- (e) before deducting any costs in relation to any acquisition;
- (f) before taking into account any material items of an exceptional or non-recurring nature which represent gains or losses;
- (g) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative which is accounted for on a hedge accounting basis);
- (h) after adding back (or deducting), as the case may be, the amount of any loss or gain against book value arising on a disposal of any assets (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests; and
- (j) plus or minus the Group's share of the profit or losses (after finance costs and tax) of non-members of the Group, and

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

“**Equity Basket Amount**” means an amount equal to the sum of (a) the net cash proceeds received in an equity offering of Shares (as defined below) in connection with an IPO of Shares and (b) the net cash proceeds from any subsequent issue of Shares.

“**Escrow Account**” means a cash account in the name of the Issuer, blocked and pledged on first priority as security for the Issuer’s obligations under the Finance Documents.

“**Escrow Account Pledge**” means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exchange**” means:

- (a) the OSE; or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

“**Existing Bonds**” means the 1L Existing Bonds and the Super Senior Bonds.

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

“Financial Covenants” means the Minimum Book Equity Ratio, the Minimum Free Liquidity and the Working Capital each as set out in Clause 13.32 (*Financial Covenants*).

“Financial Covenants Cure” shall have the meaning as set out in Clause 13.33 (*Financial Covenants Cure*).

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) 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 marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 180 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

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

“**First Call Date**” means the Interest Payment Date falling in October 2026 (thirty (30) months after the Issue Date).

“**Floating Charge**” means floating charges from the Vessel Holdco and any Vessel Owner.

“**Free Liquidity**” means the consolidated cash balance of the Group as defined in accordance with the Accounting Standard (excluding cash in any blocked account), including any undrawn and available amounts under any Revolving Credit Facility (provided the remaining duration of such Revolving Credit Facility is no less than six (6) months).

“**Free Market Value**” means the fair market value of the Collateral Vessels determined as the arithmetic mean of independent valuations of the vessel(s) obtained from two independent and well-reputed sale and purchase brokers familiar with the market for the vessel(s) appointed by the Issuer and approved by the Bond Trustee (the Approved Brokers being pre-approved). Such valuation shall be made on the basis of a sale for prompt delivery for cash at arm’s length on normal commercial terms as between a willing seller and willing buyer, on an “**as is where is**” basis, free of any existing charters or other contracts for employment. If two valuations differ by a margin of or more than 10 per cent. from the lowest amount then a third Approved Broker appointed by the Bond Trustee shall provide a valuation, and the value of the Collateral Vessels shall be the average of the three valuations. The cost of such valuations shall be for the account of the Issuer.

“**Group**” means the Issuer and its Subsidiaries from time to time.

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

“**Group Manager**” means any Group Company generally managing or supporting any permitted business of the Group (including but not limited to servicing third party vessels and/or other vessels in the Group), which at the Issue Date comprise the following existing companies:

- (a) Floatel International AB;
- (b) Floatel Services AB; and
- (c) Floatel Crew AS.

“**Guarantees**” means any joint and several unconditional and irrevocable Norwegian law guarantees (Norwegian: *selvskyldnerkausjon*) or similar under applicable law from each of the Guarantors, which shall constitute senior obligations of such Guarantors.

“**Guarantor**” means

- (a) the Vessel Holdco;
- (b) the Vessel Owners; and
- (c) the Vessel Operators.

“**IFRS**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) or the EU in force from time to time and to the extent applicable to the relevant financial statement.

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

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

“**Initial Temporary Bonds**” has the meaning ascribed to such term in Clause 2.2 (*Settlement of Bonds (in kind) by delivery of Existing Bonds*).

“**Initial Temporary Bonds ISIN**” means:

- (a) NO0013188110 (in relation to the Super Senior Bonds);
- (b) NO0013188706 (in relation to the 1L Existing Cash Pay Bonds);
- (c) NO0013188714 (in relation to the 1L Existing PIK Pay Bonds); and
- (d) NO0013188722 (in relation to the 1L Existing PIK Interest Bonds);

in each case, that are subject to Roll-Over.

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Intercompany Loans**” means any loan or credit from an Obligor to Vessel Holdco and/or any Vessel Owners (excluding any and all claims within the Cash Pools (if any)) where (a) the loan or credit is scheduled to be outstanding for at least 6 months and (b) the principal amount thereof is at least USD 1,000,000 (or the equivalent amount in another currency) and which shall be subject to a first priority assignment in favour of the Bondholders pursuant to the Assignment of Intercompany Loans and, to the extent required by law, be subject to delayed perfection and subordination on terms allowing the debtor under such loan to pay interest and repay, amortise or otherwise settle (in full or in part) the loan until an acceleration has occurred following an Event of Default.

“**Intercreditor Agreement**” means the intercreditor agreement dated on or about the date of payment of the Net Proceeds from the issuance of the Bonds to the Issuer and made between inter alia the Issuer and the Bond Trustee and certain other parties.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 10 October 2024 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 10 April and 10 October each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Rate**” means 9.75 per cent per annum.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on each Quarter Date in each year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and management commentary or report of the board of directors.

“**Internal Charters**” means any internal charter contract or other contract for the use of a Collateral Vessel (as entered into, amended and/or terminated from time to time) entered into between relevant Group Companies.

“**IPO**” means an initial public offering of Shares in connection with listing of the Shares on a regulated marketplace, including OSE.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 10 April 2024.

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

“**Issuer’s Bonds**” means any Bonds which are owned by any Obligor or any Affiliate of an Obligor.

“**Keppel**” means Keppel Ltd.

“**Leverage Ratio**” means, in respect of any Relevant Period, the ratio of Total Net Debt to EBITDA.

“**Listing Deadline**” means:

- (a) in respect of the Bonds, the date falling twelve (12) months after the Issue Date; and
- (b) in respect of any Temporary Bonds, the later of (i) 3 (three) months of the issue date for such Temporary Bonds and (ii) 12 (twelve) months of the Issue Date.

“**Listing Failure Event**” means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on the OSE within the Listing Deadline; or; or
- (b) in case of a successful admission to listing, that a period of three (3) months has elapsed since the Bonds ceased to be admitted to listing on the OSE; or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange which the other Bonds are listed within the applicable Listing Deadline.

“**Local Service Company**” means a Group Company entering into an Internal Charter or a Charter Contract to provide services to fulfil a local requirement in certain jurisdictions and which generate immaterial net profits in the context of the issue of the Bonds.

“**Longstop Date**” means the date falling 90 days after the Issue Date.

“**Make Whole Amount**” means an amount equal to the sum of the present value on the Call Option Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds (adjusted for scheduled repayments to be calculated for redemption at the Nominal Amount as per any Amortisation) at the First Call Price as if such payment had originally taken place on the First Call Date; and
- (b) the remaining interest payments on the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds) up to and including the First Call Date,

where the “present value” shall be calculated by using a discount rate of 4.87 per cent. per annum.

“**Management Undertaking**” means a subordination undertaking, in form and substance acceptable to the Bond Trustee, whereupon each Group Manager fully subordinates (subject to customary permitted credit baskets of three months of operating expenses and fees) its claims under any management agreement in respect of the Collateral Vessels to the claims of the Secured Parties (as defined in the Intercreditor Agreement) under the relevant Debt Documents (as defined in the Intercreditor Agreement), provided that any rights of the Bond Trustee to take over the rights to

receive services under the underlying management agreements shall be subject to the continued payment and fulfilment of the other the obligations owed to the Group Manager under the underlying management agreement.

“**Manager**” means:

- (a) DNB Markets, a part of DNB Bank ASA; and
- (b) Pareto Securities AS.

“**Mandatory Insurances**” means the P&I, Hull and Machinery/Increased Valuation and War P&I/H&M/IV.

“**Mandatory Prepayment Event**” means if the Issuer (directly or indirectly) sells or disposes of:

- (a) a Collateral Vessel; or
- (b) a Vessel Owner.

“**Mandatory Redemption Event**” means in the event that the conditions precedent set out in paragraph (b) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have not been fulfilled or waived within the Longstop Date.

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

- (a) the ability of the Issuer and any Guarantor 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 10 April 2029, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**MIC**” means the investment company utilised to operate the MIP and into which MIP Participants will invest.

“**Minimum Book Equity Ratio**” shall have the meaning as set out in Clause 13.32 (*Financial Covenants*), paragraph (a).

“**Minimum Free Liquidity**” shall have the meaning as set out in Clause 13.32 (*Financial Covenants*), paragraph (b).

“**MIP**” means the management incentive program for the Group, operated using the MIC.

“**MIP Participants**” means any participant in the MIP (including any holding company or other vehicle through which such participant holds its interest in the MIC).

“**Mortgage**” means any mortgage, including a declaration of pledge/deed of covenants as relevant, over the Collateral Vessels granted by an Obligor.

“**Net Proceeds**” means the cash proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Net Profit**” means the Profit(+)/loss(-) for the period (based on the Annual Financial Statements) of the Group in the previous calendar year.

“**New Topco**” means a company to be incorporated in an Approved Jurisdiction and which acquires more than 90 % of the shares in the Issuer.

“**Nominal Amount**” means the nominal amount value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“**Obligor**” means the Issuer and each Guarantor.

“**Ongoing MIP Payments**” means all payments made by the Group other than the Original MIP Payments to, and investments in, the MIC and/or the MIP Participants (or prospective MIP Participants) in relation to the MIP (including for the purpose of buying back the interests of departing MIP Participants, to fund the investment of new MIP Participants and otherwise supporting the key employees and/or the MIC in relation to the MIP including paying for the administrative expenses of the MIC) net of all amounts received by the Group from the MIC or from the MIP Participants in relation to the MIP or in respect of any interest the Group has in the MIC (including by way of subscription for shares or other instruments by the MIC in the Issuer, by way of sale by the Group of any interest of the Group in the MIC or by way of repayment of, or payment of interest on, loans made by the Group to the MIC or any MIP Participants), provided that the net amount of all such payments by the Group over the life of the Bonds, when aggregated at any time with any outstanding guarantees or other contingent financial support that the Group has provided in respect of the MIP (including in respect of the funding obligations of any MIP Participant), does not exceed USD 5,000,000.

“**Original MIP Payments**” means (i) all bonus and ex gratia payments made by the Group to the MIP Participants on or about the time of the implementation of the MIP (including any taxes and/or other government charges thereon) as part of the implementation of the MIP (providing for up to a maximum amount of 10 per cent of the Issuer’s equity as at the time of the implementation of the MIP) together with (ii) all other payments made by the Group on or about the time of implementation of the MIP by way of loans, subscriptions for preference shares or otherwise to the MIC and/or the MIP Participants, provided that:

- (a) all sums paid to the MIP Participants in paragraphs (i) and (ii), above, are promptly paid by such MIP Participants to the MIC in connection with settling the subscription for shares in the MIC;
- (b) all such sums (net of applicable taxes) that have been paid to the MIC (including by the MIP Participants) are promptly re-invested into the Issuer by means of subscription for 10% of the common shares of the Issuer, as part of implementation of the MIP; and
- (c) the MIP will be structured in a manner whereby it complies with applicable laws, the MIC having an appropriate balance sheet and any realised gain of the key employees will be sought subject to capital taxation only in Norway and Sweden,

subject to (b) and (c) with the objective of minimising any tax and/or other government charges payable by the MIP Participants, the MIC or the Group as the case may be, in accordance with applicable law and tax regulations and according to the tax advice received by the Group and such MIP Participants.

“**OSE**” means Oslo Stock Exchange (Oslo Børs).

“**Outstanding Bond Amount**” means the number of Outstanding Bonds multiplied with the Nominal Amount.

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

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

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

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

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

“**Permitted Distribution**” means any Distribution (provided that (i) no Event of Default has occurred and is continuing and (ii) a completion of an IPO) by the Issuer:

- (a) of up to 50.00 per cent. of the Equity Basket Amount in aggregate on one or more occasions; and
- (b) subject to being in compliance with the Incurrence Test, up to 50.00 per cent of the Net Profit in the previous calendar year, and where any unutilised portion of such Net Profit may not be carried forward to subsequent calendar years.

“**Permitted Financial Indebtedness**” means any Financial Indebtedness:

- (a) incurred under the Finance Documents;
- (b) until release of funds from the Escrow Account, (or otherwise contemplated by the Closing Procedure), the Existing Bonds;
- (c) arising under any Revolving Credit Facility;
- (d) incurred by the Issuer or an Additional Vessel Owner after the Issue Date (or existing in an Additional Vessel Owner acquired after the Issue Date), provided that (A) it complies with the Incurrence Test, if applicable, immediately after the incurrence of such Financial Indebtedness (or acquisition of an Additional Vessel Owner), and (B) such Financial Indebtedness:
 - (i) is incurred under a Tap Issue; or
 - (ii) is unsecured and has a final maturity date (and, if applicable, instalment dates or early redemption dates) which occurs on or after the Maturity Date (“**New Unsecured Financial Indebtedness**”); or
 - (iii) is incurred by the Issuer or an Additional Vessel Owner in the form of Additional Secured Debt,

and, in each case, provided further that no Event of Default is continuing at the time of or would result from the incurrence of any such Financial Indebtedness;

- (e) arising under any Intercompany Loans or any other loan or credit between Group Companies;
- (f) arising under Subordinated Loans;

- (g) arising under Permitted Hedging Obligations and under derivatives transactions of currency or interest rate in the ordinary course of business, and not being made for investment or speculative purposes;
- (h) which is Permitted Management Incentives;
- (i) arising under Permitted Guarantees;
- (j) arising under any ordinary trade credit extended to it on normal commercial terms;
- (k) arising under any future bid-, payment- and performance bonds, guarantees and letters of credit incurred by any Group Company in the ordinary course of business and guarantees issued to release tax retention amounts to improve liquidity and/or counter-indemnities related to same; and;
- (l) not otherwise permitted by the preceding paragraphs so long as the aggregate amount of Financial Indebtedness for Group Companies does not exceed USD 10,000,000 (or its equivalent in other currencies).

“Permitted Guarantee” means any guarantee or indemnity:

- (a) granted under the Finance Documents;
- (b) granted under any Revolving Credit Facility and in respect of any Permitted Hedging Obligation, provided that such guarantee (or indemnity, if relevant) is extended to and shared between the Secured Parties pursuant to the terms of the Intercreditor Agreement;
- (c) granted under any Permitted Hedging Obligation which is not secured by the Transaction Security;
- (d) granted by the Issuer, an Additional Vessel Owner or a Vessel Operator under or in connection with any Additional Secured Debt;
- (e) granted by a Group Company to or for the benefit of any other Group Company;
- (f) granted for the benefit of third parties in the ordinary course of constructing, purchasing, repairing, upgrading, maintaining, trading and operating of the Collateral Vessels and/or an Additional Vessel; and
- (g) not otherwise permitted by the preceding paragraphs so long as the aggregate amount of the guaranteed liabilities does not exceed USD 10,000,000 (or its equivalent in other currencies).

“Permitted Hedging Obligation” means any obligation of any Group Company under a derivative transaction entered into with one or more Hedge Counterparties in connection with protection against or benefit from fluctuation in any rate or price, where such exposure arises in the ordinary course of business (including in relation to the Bonds, any Additional Secured Debt, and any Revolving Credit Facility), but not a derivative transaction for investment or speculative purposes. Any Permitted Hedging Obligation may be secured by the Transaction Security on a pari passu basis with the Bonds (but junior to any Revolving Credit Facility) in accordance with the terms of the Intercreditor Agreement.

“Permitted Loan” means:

- (a) any trade credit extended by any Group Company on normal commercial terms and in the ordinary course of trading;

- (b) any loan where the corresponding Financial Indebtedness which is referred to in the definition of, or otherwise constitutes Permitted Financial Indebtedness;
- (c) any credit extended as part of the Permitted Management Incentives; and
- (d) not otherwise permitted by the preceding paragraphs so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed USD 5,000,000 (or its equivalent in other currencies).

“Permitted Management Incentives” means the Original MIP Payments and the Ongoing MIP Payments.

“Permitted Reorganisation” means an incorporation of a New Topco as an immediate holding company of the Issuer, on the basis that (for the avoidance of doubt) the implementation of a New Topco shall not in itself constitute a Change of Control Event.

“Permitted Security” means any Security:

- (a) created under the Finance Documents;
- (b) up to the release of funds from the Escrow Account, encumbrances in favour of the Security Agent under the Existing Bonds;
- (c) created under or in connection with any Revolving Credit Facility finance documents or in respect of any Permitted Hedging Obligation, provided that such Security is extended to and shared between the Secured Parties pursuant to the terms of the Intercreditor Agreement;
- (d) created by (i) a Group Company over loans to or shares in an Additional Vessel Owner, (ii) an Additional Vessel Owner or (iii) a Vessel Operator, under or in connection with any Additional Secured Debt, in each case, over assets which are not subject to the Transaction Security;
- (e) arising by operation of law or in the ordinary course of trading, including, without limitation, any Banker's Lien, and any lien on a Vessel for master's, officer's or crew's wages, salvage, or in favour of a repairer or outfitter thereof;
- (f) granted to an account bank in respect of any Cash Pool; and
- (g) not otherwise permitted by the preceding paragraphs and in respect of Security over assets not subject to or contemplated to be subject to the Transaction Security so long as the aggregate amount of the Security does not exceed USD 10,000,000 (or its equivalent in other currencies).

“Piracy Event” means an expropriation or an act of piracy of a Collateral Vessel, to the extent not a Total Loss Event, and in the case of an act of piracy provided always that such act of piracy event shall have continued for a period of more than 210 calendar days.

“Pledge of Earnings Accounts” means pledge of the Earnings Accounts related to the Collateral Vessels granted by the Vessel Owners and the Vessel Operators.

“Pre-Disbursement Security” means:

- (a) the Guarantees;
- (b) the Mortgages;

- (c) the Assignment of Insurances;
- (d) the Pledges of Earnings Accounts;
- (e) the Assignment of Internal Agreements;
- (f) the Floating Charges;
- (g) the Share Pledges;
- (h) the Assignment of Intercompany Loans; and
- (i) the Assignment of Earnings.

“**Put Option**” shall have the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

“**Put Option Repayment Date**” means the settlement date for the Change of Control Event pursuant to Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

“**Qualified Charter Contracts**” means Charter Contracts for the Collateral Vessels that:

- (a) (i) has an initial firm period in excess of 6 months, or (ii) has an initial firm period of six (6) months or less but is subject to at least a single extension which period is in excess of six (6) months; and
- (b) permits assignments without restrictions of any nature (including, but not limited to an Assignment of Earnings payable to an Obligor) without consent from or notification to a third party charterer or client.

“**Quarter Date**” means, in each financial year, 31 March, 30 June, 30 September and 31 December.

“**Quiet Enjoyment Letter**” means any quiet enjoyment letter agreement entered or required to be entered into between the Security Agent (on behalf on the Secured Parties), the relevant Vessel Owner or Vessel Operator in relation to the Collateral Vessel (if applicable) and the relevant end-user of a Collateral Vessel, if required by the relevant end-user pursuant to the relevant Charter Contract or sub-charter contract, regulating the enforcement of a Mortgage and other Transaction Security on customary terms (which provides that the Security Agent shall not interfere with the free and undisturbed use by the end-user of the Collateral Vessel provided that the end-user is not in material breach of any of its payment obligations under the relevant Charter Contract or sub-charter contract) or as otherwise acceptable to the Security Agent.

“**RCF Maximum Commitment**” means the higher of (i) USD 25,000,000 and (ii) 10 per cent. of the total Outstanding Bond Amount at any time, and subject always to any reduction of the (relevant higher) RCF Maximum Commitment as required under Mandatory Prepayment of Net Insurance Proceeds or Net Disposal Proceeds.

“**Redemption Amount**” means:

$$\frac{X \times B}{Y}$$

where:

- (i) B is the aggregate principal amount of the Outstanding Bond Amount;
- (ii) X is the Free Market Value of the Collateral Vessel(s) sold or disposed of or subject to a Piracy Event or a Total Loss; and

- (iii) Y is the Free Market Value of all Collateral Vessels prior to the sale or disposal or Piracy Event or a Total Loss; and

where Free Market Value for purposes of the above shall be calculated using the most recent Free Market Value valuations at the time of a Mandatory Prepayment Event, Total Loss Event or Piracy Event, as relevant. Where a Vessel Owner is sold, “**Collateral Vessel**” shall for the purposes of this formula mean the Collateral Vessel owned by that Vessel Owner.

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

“**Relevant Period**” means each period of 12 consecutive calendar months ending on the last day of the preceding financial quarter.

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

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

“**Repayment Date**” means any date for redemption of Outstanding Bonds in accordance with Clause 10 (*Redemption and Repurchase of Bonds*), any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

“**Reporting Date**” means each date on which the Issuer reports its Financial Reports.

“**Revolving Credit Facilities**” means one or more revolving credit, guarantee/letter of credit and/or overdraft facilities from one or more lenders, up to the RCF Maximum Commitment and entered into by the Issuer or a Group Company, and where the Issuer (and any other borrower thereunder) may apply amounts borrowed by it under any Revolving Credit Facilities towards general corporate including paying interest and satisfy amortisation of the Bonds and working capital purposes of the Group.

“**Secured Obligations**” has the meaning given to such term in the Intercreditor Agreement.

“**Secured Parties**” has the meaning given to such term in the Intercreditor Agreement.

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

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Agent**” means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

“**Security Agent Agreement**” means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders), unless included directly in the Intercreditor Agreement.

“**Security Documents**” means, collectively, the documents made in favour of the Security Agent (on behalf of the Secured Parties), expressed to create any Security by the relevant grantor thereof

in respect of the Issuer's and the Guarantors' Secured Obligations, including but not limited to principal, interest, fees and expenses, under any of the Finance Documents.

"Share Pledge" means the share pledge or charge over the shares in each of the Vessel Holdco and the Vessel Owners.

"Shares" means the shares in the Issuer (or any other shares within the Group or in a respective holding company (including a New Topco)).

"Subordinated Loan" means any loan or other instrument granted to the Issuer which is fully subordinated to the Secured Obligations to the satisfaction of the Security Agent and where any servicing of interest, distribution or principal of such loan is subject to all present and future obligations and liabilities under the Secured Obligations having been discharged in full (unless serviced as part of a Permitted Distribution).

"Subsidiary" means a company over which another entity or person has Decisive Influence and any other entity required to be treated as a subsidiary in the Issuer's consolidated accounts in accordance with the Accounting Standard and/or any applicable law.

"Summons" means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

"Super Senior Bonds" means the bonds issued under the super senior secured bond issue of the Issuer with ISIN NO0012862673 pursuant to the bond terms dated 22 March 2023 entered into between the Issuer and Nordic Trustee AS as bond trustee on behalf of the holders of Super Senior Bonds.

"Tap Issue" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Tap Issue Addendum" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Tax Event Repayment Date" means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

"Temporary Bonds" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Total Assets" means (on a consolidated basis) the Group's total assets (treated as assets in accordance with the Accounting Standard) according to the latest Financial Report.

"Total Loss Event" means an actual or constructive total loss of a Collateral Vessel.

"Total Net Debt" means, at any time, the aggregate amount of Borrowings of the Group after deducting the aggregate amount of Cash and Cash Equivalents at that time but excluding:

- (a) any such obligations to any other Group Company;
- (b) any such obligations in respect of any Subordinated Loan; and
- (c) any Bonds owned by the Issuer,

and so that no amount shall be included or excluded more than once.

"Transaction Security" means the Security created or evidenced or expressed to be created under or pursuant to the Security Documents.

“**Vessel HoldCo**” means Floatel Rigs Ltd., an exempted company existing under the laws of Bermuda with registration number 202100256.

“**Vessel Operators**” means any Group Company entering into Internal Charters with Vessel Owners from time to time (provided that this shall not include Local Service Companies), and which at the Issue Date comprise:

- (a) Floatel Singapore Pte. Ltd.;
- (b) Floatel UK Contractor Ltd.; and
- (c) Floatel Operations AS.

“**Vessel Owners**” means each Group Company owning any of the Collateral Vessels and any company within the Group which becomes an owner of a Collateral Vessel, and which at the Issue Date comprise:

- (a) Floatel Superior Ltd.,
- (b) Floatel Reliance Ltd.,
- (c) Floatel Victory Ltd.,
- (d) Floatel Endurance Ltd.; and
- (e) Floatel Triumph Ltd.

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

“**Working Capital**” means (on a consolidated basis) the Group's current assets less current liabilities (in each case treated as such in accordance with the Accounting Standard, however with respect to current liabilities to exclude current portion of debt expected to be settled more than twelve (12) months from the date of computation) according to the latest Financial Report.

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

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European time unless otherwise stated;
- (e) references to a provision of “**law**” are references to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation,

government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;

- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

2 THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to USD 400,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of up to USD 350,000,000. The Issuer may, provided that (i) the Incurrence Test is met (if applicable), (ii) no Event of Default is continuing and (iii) the conditions set out in Clause 6.3 (*Conditions Precedent - Tap Issues*) are fulfilled, on one or more occasions issue Additional Bonds under these Bond Terms (each such issue, a “**Tap Issue**”), until the aggregate Nominal Amount of all Bonds outstanding equals the Maximum Issue Amount less the aggregate of (i) an amount calculated as a reduction of the Maximum Issue Amount reflecting any Amortisations and (ii) the Nominal Amount of any previously redeemed Bonds (other than by way of Amortisations). Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”)

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

For Tap Issues not falling on an Interest Payment Date, accrued interest will be calculated using standard market practice in the secondary bond market.

- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 125,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.

- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders' Meeting*)

2.2 Settlement of the Bonds (in kind) by delivery of Existing Bonds

- (a) The Bonds are settled:
 - (i) in cash; and/or
 - (ii) in kind by delivery of Existing Bonds.
- (b) Bonds issued under paragraph (a)(i) above will be issued under a separate ISIN, which will be the surviving ISIN for the Initial Bond Issue (the "**Surviving ISIN**"). Bonds issued under paragraph (a)(ii) above will be issued with the relevant Initial Temporary Bonds ISINs (the "**Initial Temporary Bonds**"). The Initial Temporary Bonds ISINs will be merged with the Surviving ISIN in connection with disbursement of funds from the Escrow Account. The CSD and the Bond Trustee are authorised to carry out the aforesaid in the best practical way

2.3 Tenor of the Bonds

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

2.4 Use of proceeds

- (a) The Issuer will use the Net Proceeds from the Initial Bond Issue towards:
 - (i) redemption of the Existing Bonds plus any interest, premium, fees and costs; and
 - (ii) the surplus (if any) for general corporate purposes of the Group.
- (b) The Net Proceeds from the issuance of any Additional Bonds shall, if not otherwise stated, be applied towards:
 - (i) funding of capital expenditure in respect of the Collateral Vessels; and/or
 - (ii) financing of acquisitions of new or second hand accommodation and construction support vessels which shall become Collateral Vessels.

2.5 Status of the Bonds

- (a) The Bonds shall constitute senior debt obligations of the Issuer and will rank pari passu between themselves and 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).
- (b) With effect from the release of the Net Proceeds from the Escrow Account, the Bonds will be secured on a pari passu basis with the claims of the other Secured Parties in respect of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge), subject to the super senior status of any Revolving Credit Facility. Any Revolving Credit Facility will receive (i) the proceeds from any enforcement of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Bondholders and the Hedge Counterparties (but otherwise rank pari passu in right of payment with the Bonds) in accordance with the waterfall provisions of the Intercreditor Agreement.

2.6 Transaction Security

(a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent (on behalf of the Secured Parties), except for the Escrow Account Pledge and the Bond Escrow Account Pledge which shall only be granted in favour of the Bond Trustee (on behalf of the Bondholders subscribing for Bonds with an offer to settle the Bonds in cash or Initial Temporary Bonds), in accordance with the terms of the Intercreditor Agreement, on first priority within the times agreed in Clause 6 (*Conditions for disbursement*), subject to any mandatory limitations under applicable law:

- (i) the Escrow Account Pledge and the Bond Escrow Account Pledge; and
- (ii) the Pre-Disbursement Security,

provided, for the avoidance of doubt, that the Bonds shall be secured by the same Security as any Revolving Credit Facilities in accordance with the terms of the Intercreditor Agreement.

(b) The following shall apply for Assignment of Earnings in respect of Qualified Charter Contracts:

(i) If an Obligor enters into a Qualified Charter Contract, the relevant Obligor shall as soon as reasonably practicable execute an Assignment of Earnings with respect to such Qualified Charter Contract (it being understood that any Assignment of Earnings shall not be a condition precedent for disbursement of the Net Proceeds of the Initial Issue Amount from the Escrow Account and the Existing Bonds that are subject to Roll-Over from the Bond Escrow Accounts).

(ii) If, following execution of an Assignment of Earnings:

- (A) the Issuer (in its sole discretion) designates another Collateral Vessel or Additional Vessel for utilization and performance of services under the relevant Qualified Charter Contract;
- (B) the Issuer (in its sole discretion) designates another Vessel Owner, Vessel Operator and/or Additional Vessel Owner as the contract party for the relevant Qualified Charter Contract;
- (C) the relevant Qualified Charter Contract has expired; or
- (D) the relevant Obligor is no longer involved in the ownership or operation of a Collateral Vessel,

the relevant Obligors and the Security Agent shall enter into such documents as may be reasonably required to transfer and/or terminate the Assignment of Earnings.

(iii) For the avoidance of doubt, the Obligors shall not be required to seek consent from clients to any Assignment of Earnings.

(c) The Pre-Disbursement Security shall be granted on first priority in favour of the Security Agent (on behalf of the Secured Parties (as defined in the Intercreditor Agreement) (unless the Intercreditor Agreement does not require such Security to be shared between the Secured Parties). The Bond Trustee will, to the extent permitted by applicable law, be appointed to act as initial Security Agent in respect of the Pre-Disbursement Security and any other Security, and may where permitted (pursuant to the terms of the Intercreditor

Agreement) release (i) any Guarantee and Security over assets which are sold or otherwise disposed of (directly or indirectly) in any merger, de-merger or disposal permitted by the Debt Documents (as defined in the Intercreditor Agreement), (ii) Guarantee and Security from companies that ceases to be a Vessel Operator or (iii) any Guarantee and Security which is otherwise no longer required to be provided pursuant to the terms of the Debt Documents (as defined in the Intercreditor Agreement).

3 THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

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

3.2 Limitation of rights of action

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

3.3 Bondholders' rights

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

4 ADMISSION TO LISTING

The Issuer shall ensure that the Bonds are listed on the OSE within the applicable Listing Deadline and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. The Issuer shall use its reasonable endeavours to ensure that any Temporary Bonds are listed (together with and as part of the other Bonds) on an Exchange within the applicable Listing Deadline for such Temporary Bonds.

5 REGISTRATION OF THE BONDS

5.1 Registration in the CSD

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

5.2 Obligation to ensure correct registration

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

5.3 Country of issuance

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

6 CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a)** Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account and transfer of the Existing Bonds that are subject to Roll-Over to the Bond Escrow Accounts shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
 - (i)** these Bond Terms duly executed by all parties hereto
 - (ii)** copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii)** a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
 - (iv)** copies of the Issuer's articles of association and a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v)** the Escrow Account Pledge and the Bond Escrow Account Pledge duly executed by all parties thereto and duly perfected in accordance with applicable law (including all applicable acknowledgements and consents from the account bank and relevant transcripts from the CSD);
 - (vi)** copies of the Issuer's latest Financial Reports (if any);
 - (vii)** confirmation that the applicable prospectus requirements (cf. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (viii)** copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;

- (ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (x) confirmation of acceptance from any process agent of the Issuer;
 - (xi) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (xii) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
 - (xiii) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents.
- (b) The Net Proceeds from the issuance of the Bonds (on the Escrow Account and release of the Existing Bonds on the Bond Escrow Accounts) will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) a duly executed release notice from the Issuer (including a written confirmation from the Issuer to the Bond Trustee confirming that (i) the amount to be released from the Escrow Account shall be applied in accordance with Clause 2.4 (*Use of proceeds*) and (ii) no Event of Default has occurred and is continuing or will result from the release from the Escrow Account and the Bond Escrow Accounts, as set out in Schedule 2 (*Release Notice – Escrow Account*));
 - (ii) unless delivered pursuant to paragraph (a) above:
 - (A) copies of all necessary corporate resolutions of each Obligor required to provide Transaction Security and execute the Finance Documents to which it is a party;
 - (B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Obligor to relevant individuals for their execution of the Finance Documents to which it is a party;
 - (C) copies of each Obligor’s articles of association and of a full extract from the relevant company register in respect of each Obligor evidencing that each Obligor is validly existing;
 - (D) the Security Documents duly executed by all parties thereto and evidence of the establishment and perfection;
 - (iii) a copy of the Intercreditor Agreement, duly executed by all parties thereto;
 - (iv) copies of the Internal Charters relating to the Collateral Vessels and duly executed;
 - (v) evidence that (i) the Existing Bonds will be repaid in full no later than three (3) Business Days after disbursement and (ii) any guarantee or security created in respect thereof (other than the Transaction Security) will be released and discharged in full, in each case subject to the Closing Procedure;
 - (vi) satisfactory evidence that all Mandatory Insurances have been taken out (including, if so requested by the Bond Trustee, a confirmation/insurance report from Bankserve or other third party insurance advisor acceptable to the Bond Trustee);

- (vii) transcripts from the relevant registry showing that each Collateral Vessel is duly registered in the name of the respective Vessel Owner, flying the flag of an Approved Flag State and free and clear of any encumbrances other than the collateral in favour of the Secured Parties;
 - (viii) a copy of the class certificate for each Collateral Vessel from the relevant classification society, confirming that the Collateral Vessel is in class, free of any outstanding overdue recommendations and conditions of class (subject to "Floatel Reliance" being in lay-up);
 - (ix) a copy of the Management Undertaking(s) countersigned by the Bond Trustee;
 - (x) confirmation of acceptance from any process agent of the Obligors; and
 - (xi) legal opinions or other statements as may be required by the Bond Trustee.
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer (the "**Closing Procedure**") where the parties may agree that certain of the conditions precedent to be delivered pursuant to paragraph (b) above prior to or in connection with the release of funds from the Escrow Account and Existing Bonds from the Bond Escrow Accounts are delivered as conditions subsequent. Perfection of the Security (except for the Escrow Account Pledge and the Bond Escrow Account Pledge) shall be established as soon as possible in accordance with the terms of the Closing Procedure on or immediately after the release of funds from the Escrow Account and the Bond Escrow Accounts, including to allow for certain matters to be handled post disbursement, as customary or required for practical reasons. Without limiting the generality of the foregoing, the Issuer and the Bond Trustee may, under the terms of the Closing Procedure, agree that any conditions precedent (including the grant of Transaction Security) which are to be delivered by or in respect of any Guarantor may be delivered as conditions subsequent, however such conditions may in no event be delivered later than ten (10) Business Days after release of funds from the Escrow Account.

6.2 Disbursement of the proceeds

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

6.3 Conditions precedent – Tap Issues

Payment of the Net Proceeds from the issuance of Additional Bonds directly to the Issuer (or via an Escrow Account, pending completion of selected release conditions), shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the issue date for the Additional Bonds each of the following documents, in form and substance satisfactory to the Bond Trustee, as customary for such Tap Issues, including:

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

- (c) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents;
- (d) such documents and other evidence demonstrating compliance with the Incurrence Test (if applicable) as the Bond Trustee may reasonably require; and
- (e) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)).

The Bond Trustee may (at its sole discretion and in each case) waive or postpone the delivery of certain conditions precedent, and the Bond Trustee may (on behalf of the Bondholders) agree on a Closing Procedure with the Issuer.

7 REPRESENTATIONS AND WARRANTIES

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

- (a) on the date of these Bond Terms;
- (b) on the Issue Date;
- (c) on each date of disbursement of proceeds from the Escrow Account; and
- (d) on the date of issuance of any Additional Bonds.

7.2 Status

It is an exempted 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.

7.3 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, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.4 Valid, binding and enforceable obligations

These Bond Terms 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.

7.5 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.6 No Event of Default

- (a)** No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b)** No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.7 Authorisations and consents

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

- (a)** to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
 - (b)** to carry on its business as presently conducted and as contemplated by these Bond Terms,
- have been obtained or effected and are in full force and effect.

7.8 Financial Reports

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

7.9 Litigation

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

7.10 No Material Adverse Effect

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

7.11 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.12 No withholdings

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

7.13 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.5 (*Status of the Bonds*).

7.14 Security

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

8 PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus an additional 3 per cent. per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under the Bond Terms will accrue at the Interest Rate plus 1 per cent per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds

8.3 Partial Payments

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

8.4 Taxation

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from the Issuer up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD)

within five (5) Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9 INTEREST

9.1 Calculation of interest

- (a)** Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b)** Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c)** Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
 - (i)** the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month, or
 - (ii)** the last day of the relevant Interest Period is the last calendar day of the month of February, in which case the month of February shall not be lengthened to a 30-day month).

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10 REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

- (a)** Subject to paragraph (b) below, the Bonds shall be repaid (by way of redemption of Bonds) semi-annually, the first time being the Interest Payment Date falling twelve (12) months after the Issue Date and each Interest Payment Date thereafter in amounts equal to the Amortisation Amount.
- (b)** The remaining Outstanding Bonds shall be redeemed by the Issuer on the Maturity Date
- (c)** Any Bonds redeemed in accordance with the above shall be repaid at a price equal to 100 per cent. of the Nominal Amount (plus accrued interest on the redeemed Bonds) and part redemption of Bonds shall be applied pro rata between the Bondholders in accordance with the procedures of CSD.

10.2 Voluntary early redemption – Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds on any Business Day (the “**Call Option**”) from and including:
- (i) the Issue Date to, but excluding, the First Call Date at a price equal to the Make Whole Amount;
 - (ii) the First Call Date to, but excluding, the Interest Payment Date in April 2027 at a price equal to 104.875 per cent. of the Nominal Amount of the redeemed Bonds (the “**First Call Price**”);
 - (iii) the Interest Payment Date in April 2027 to, but excluding, the Interest Payment Date in October 2027 at a price equal to 103.90 per cent. of the Nominal Amount of the redeemed Bonds;
 - (iv) the Interest Payment Date in October 2027 to, but excluding, the Interest Payment Date in April 2028 at a price equal to 102.925 per cent. of the Nominal Amount of the redeemed Bonds;
 - (v) the Interest Payment Date in April 2028 to, but excluding, the Interest Payment Date in October 2028 at a price equal to 101.95 per cent. of the Nominal Amount of the redeemed Bonds; and
 - (vi) the Interest Payment Date in October 2028 to, but excluding, the Maturity Date at a price equal to 100 per cent. of the Nominal Amount of the redeemed Bonds,
- in each case, including any accrued but unpaid interest on the redeemed Bonds.
- (b) Any redemption of Bonds pursuant to Clause 10.2(a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least ten (10), but not more than twenty (20), Business Days prior to the proposed Call Option Repayment Date. Any call notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void. Unless the Make Whole Amount is set out in the written notice where the Issuer exercise the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.
- (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.
- (e) If the Bonds shall be redeemed in full following the Call Option or at the Maturity Date, the entire amount on the Earnings Accounts may be used as partial payment in accordance with the waterfall provisions under the Intercreditor Agreement.

10.3 Mandatory repurchase due to a Change of Control Event

- (a) Upon the occurrence of a Change of Control Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder, at a price equal to 101 per cent. of the Nominal Amount (plus accrued and unpaid interest on the repurchased Bonds).

- (b) The Put Option must be exercised no later than 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Change of Control Event has occurred pursuant to Clause 12.3 (*Change of Control Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of the 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such prepayment may occur at the earliest on the 15th calendar day following the date of such notification.

10.4 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100.00 per cent. of the Nominal Amount of the Outstanding Bonds (plus accrued interest since the last Interest Payment Date). The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 45 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

10.5 Early redemption due to a Mandatory Prepayment Event

Upon the occurrence of a Mandatory Prepayment Event, the Issuer shall, at the day the relevant Group Company receives the proceeds following the relevant Mandatory Prepayment Event, apply such proceeds after deducting any reasonable and documented expenses in relation to that Mandatory Prepayment Event which are incurred by any Group Company to persons who are not a Group Company, provided that if such proceeds exceed the Redemption Amount, they shall be capped at the Redemption Amount (the "**Net Disposal Proceeds**"), then (i) (if required pursuant to the terms of any Revolving Credit Facility) prepay and cancel any Revolving Credit Facility (and provided that the RCF Maximum Commitment is reduced with the corresponding amount as any cancelled commitments) and (ii) the surplus (if any) of any remaining Net Disposal Proceeds shall be applied in discharge of Bonds at a redemption price equal to the First Call Price if the Mandatory Prepayment Event occurs prior to the First Call Date and at the prevailing redemption price as set out under Clause 10.2 (*Voluntary early redemption – Call Option*) above if such Mandatory Prepayment Event occurs at the First Call Date or any time thereafter. The above shall not apply if any Mandatory Prepayment Event results in Net Disposal Proceeds being less than USD10,000,000. Any redemption of the Bonds in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.6 Total Loss Event or Piracy Event

Upon the occurrence of a Piracy Event or a Total Loss Event, the Issuer shall as soon as the net insurance proceeds are available and in any event no later than 180 days following the Total Loss Event or Piracy Event (as the case may be), apply such insurance proceeds after deducting any reasonable and documented expenses in relation to that insurance claim which are incurred by any

Group Company to persons who are not a Group Company provided that if such proceeds exceed the Redemption Amount, they shall be capped at the Redemption Amount (the "**Net Insurance Proceeds**"), then (i) (if required pursuant to the terms of any Revolving Credit Facility) prepay and cancel any Revolving Credit Facility (and provided that the RCF Maximum Commitment is reduced with the corresponding amount as any cancelled commitments), and (ii) the surplus (if any) of any remaining proceeds shall be applied in discharge of the Bonds at a price equal to 100.00 per cent. of the Nominal Amount. The above shall not apply if any Piracy Event or Total Loss Event results in Net Insurance Proceeds being less than USD 10,000,000. Any redemption of the Bonds in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.7 Mandatory early redemption due to a Mandatory Redemption Event

- (a)** Upon a Mandatory Redemption Event, the Issuer shall, within 5 Business Days after the Mandatory Redemption Event, redeem all of the Outstanding Bonds at a price of 101.00 per cent. of the Nominal Amount, plus any accrued and unpaid interest on the Bonds to be redeemed.
- (b)** The Issuer may apply for such redemption (a) the funds deposited on the Escrow Account and any other account (if applicable) and (b) Existing Bonds deposited on the Bond Escrow Account, by re-exchanging the Initial Temporary Bonds to Existing Bonds at par (plus accrued interest) and a one (1) per cent. premium.

11 PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion, (including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*)).

11.2 Restrictions

- (a)** Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b)** A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12 INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a)** The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 4 months after the end of the financial year.
- (b)** The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 2 months after the end of the relevant interim period.

- (c) The Issuer shall ascertain the Free Market Value of the Collateral Vessels at least semi-annually (based on valuations dated no earlier than thirty (30) Business Days prior to the relevant Reporting Date) and deliver such valuations as part of the Issuer's Compliance Certificate on the Reporting Dates for the quarterly financial statements ending in June and December each year.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1(b) (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represents its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.32 (*Financial Covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.
- (c) The Issuer shall supply to the Bond Trustee, in connection with any event which is subject to an Incurrence Test, a Compliance Certificate duly signed by the chief executive officer or the chief financial officer of the Issuer, setting out (in reasonable detail) computations, calculations and figures evidencing compliance with Clause 13.34 (*Incurrence Test*) in respect of the Incurrence Test

12.3 Change of Control Event

The Issuer shall inform the Bond Trustee in writing as soon as possible after becoming aware that a Change of Control Event has occurred.

12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred.

12.5 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) 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;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and

- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13 GENERAL AND FINANCIAL UNDERTAKINGS AND VESSEL COVENANTS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13 (*General and financial undertakings and Vessel covenants*):

13.1 Ownership of Guarantors

The Issuer shall remain the 100 per cent. direct or indirect owner of the Guarantors.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

13.3 Anti-corruption and sanctions

The Issuer shall, and the Issuer shall procure that each other Group Company will: (a) ensure that no proceeds from the Bonds are used directly or indirectly for any purpose which would breach any applicable acts, regulations or laws on bribery, corruption or similar; and (b) conduct its businesses and maintain policies and procedures in compliance with applicable anti-corruption laws. The Issuer shall ensure that no Group Company will, engage in any conduct prohibited by any sanctions applicable to the Group Company.

13.4 Authorisations

The Issuer shall, and the Issuer shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out at the date of the Bond Terms if a failure to do so would have Material Adverse Effect.

13.5 Corporate status

The Issuer shall not change its jurisdiction of incorporation or formation and the Issuer shall procure that the New Topco, the Vessel Holdco and each Vessel Owner will be or remains (as appropriate) incorporated and formed in an Approved Jurisdiction.

13.6 Single purpose company

The Issuer shall procure that the Vessel Owners shall remain single purpose companies with the sole purpose of owning, operating, and chartering of the Collateral Vessels (including holding any assets related to Collateral Vessels and entering into relevant agreements and arrangements in relation to the Collateral Vessels including relevant charter agreements, and employing or hiring in relevant staff and management services as required). The Issuer may incorporate new or re-domicile any Vessel Owner provided that such Vessel Owner is incorporated in an Approved Jurisdiction and the required Transaction Security is established.

13.7 Mergers and de-mergers

The Issuer shall not, and shall procure that no other Group Company will, carry out (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than a Group Company; or (ii) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer or any Group Company (and if such merger involves the

Issuer, the Issuer shall be the surviving entity); in either case if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

13.8 Continuation of business

The Issuer shall procure that no material change is made to the primary nature of the Group's business from that carried out by the Group at the Issue Date (being owning, operating and managing accommodation and construction support vessels owned by the Group and/or third parties).

13.9 Arm's length transactions

The Issuer shall not and the Issuer shall procure that no other Group Company shall, engage, directly or indirectly, in any transaction with any party other than a Group Company (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except on an arm's length basis (or better from the perspective of the Group Company), except the Permitted Management Incentives.

13.10 Maintain Security Documents

The Issuer shall and shall procure that each relevant Obligor shall maintain the Security Documents in full force and effect, and do all acts which may be necessary to ensure that such Security remains duly created, enforceable and perfected (as per customary requirements in the relevant jurisdiction) with first priority ranking, creating the Security contemplated thereunder, at the expense of the Issuer, or the relevant security provider (as the case may be), subject to any release of Security if permitted by the Bond Terms.

13.11 Disposals

The Issuer shall not, and shall ensure that no other Group Company will, sell, transfer or otherwise dispose of (a) all or a substantial part of the Group's assets (including shares or other securities in any person) or operations (in each case for the Group taken as a whole), unless such sale, transfer or disposal would not have a Material Adverse Effect, or (b) of any Vessel Owner, Collateral Vessel or any other material asset subject to any Transaction Security, unless (i) no Event of Default has occurred and is continuing, (ii) such sale would have no Material Adverse Effect, and (iii) the relevant Group Company complies with the requirement for Mandatory Prepayment following such sale or other disposal.

13.12 Distributions

The Issuer shall not make any Distribution, other than Permitted Management Incentives and/or Permitted Distributions.

13.13 Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will, incur or maintain any Financial Indebtedness, other than Permitted Financial Indebtedness.

13.14 Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (present or future) other than Permitted Security.

13.15 Subsidiaries' distribution

The Issuer shall procure that the Vessel Holdco, the Vessel Owners and the Vessel Operators shall not create or permit to exist any contractual obligation (or encumbrance) restricting the right to pay

dividends or make other Distributions to its shareholders, other than where such obligation or encumbrance is not reasonably likely to prevent the Issuer from complying with its payment obligations under the Finance Documents.

13.16 Loans or credit

The Issuer shall not, and shall procure that no Group Company, will be a creditor in respect of any Financial Indebtedness, other than any Permitted Loan.

13.17 No guarantees or indemnities

The Issuer shall not, and shall procure that no Group Company, will incur or allow to remain outstanding any guarantee in respect of any obligation of any person, other than any Permitted Guarantee.

13.18 Management Undertaking

The Issuer shall procure that each Group Manager issues a Management Undertaking.

13.19 New Topco

The New Topco shall, promptly upon its incorporation, grant an unsecured Norwegian law governed parent company guarantee in favour of the Security Agent guaranteeing the Secured Obligations.

Vessel Covenants

13.20 Maintenance and Insurances

- (a) The Issuer shall provide for reasonable and satisfactory maintenance and insurance of the Collateral Vessels and all relevant equipment related thereto at all times, hereunder to retain the Collateral Vessels in class (subject to any Collateral Vessel going into lay-up or being in lay-up). During operation of the Collateral Vessels, the Issuer shall ensure that the Vessel Operators and/or Vessel Owners run proper maintenance of the Collateral Vessels.
- (b) The Collateral Vessels shall be fully insured against such risks, including but not limited to Hull & Machinery, Hull Interest and/or Freight Interest, War Risks (based on Nordic Marine Insurance Plan) and Protection & Indemnity (including at least USD 300,000,000 cover for pollution liability, or at least USD 500,000,000 cover for pollution liability if operating in US waters), in such amounts, on such terms and placed with such brokers/insurers/clubs as the Security Agent (acting on behalf of the Secured Parties) from time to time may reasonably approve.
- (c) The aggregate insurance value for the Collateral Vessels shall be no less than 120 per cent. of the aggregate of (a) the Outstanding Bond Amounts and (b) the commitments under any Revolving Credit Facility. The insurance value for each Collateral Vessel shall cover at least 120 per cent. of the Free Market Value of that Collateral Vessel. The agreed insured value for Hull and Machinery shall cover at least eighty per cent. (80%) of the Free Market Value of the relevant Collateral Vessel. The remaining cover may be taken out by way of Hull Interest and/or Freight Interest.
- (d) The Security Agent may take out a Mortgagee Interest Insurance ("MII"), a Mortgagee Additional Perils Insurance ("MAPI") and/or an insurance report (at the expense of the Issuer) in each case with respect to the Outstanding Bond Amount.
- (e) The insurances and Loss Payee Clause shall be for minimum amounts of USD 5,000,000 and otherwise in accordance with the Nordic Marine Insurance Plan, American Institute

Hull Clauses or other insurances with at least similar terms or otherwise acceptable to the Security Agent.

13.21 Compliance with laws

The Collateral Vessels are operated in all material respects in accordance with applicable laws and regulations and good industry standards.

13.22 Business conduct

The Issuer shall ensure that each Vessel Owner and/or Vessel Operator shall operate the Collateral Vessels and conduct their business in accordance with good industry standards and in compliance with the terms hereof and the Security Documents.

13.23 Earnings

All Earnings related to the Collateral Vessels, as well as any insurance and sales proceeds of the Collateral Vessels, in each case payable to the Vessel Owners and Vessel Operators, shall be paid into the relevant Earnings Accounts.

13.24 Charter Contracts

The Issuer shall ensure that Charter Contracts shall be entered into by a Vessel Owner or a Vessel Operator, as well as any Local Service Company (if applicable).

13.25 Flag, registry and name

The Collateral Vessels shall be registered in an Approved Flag State, and there shall be no change of flag, registry or name unless to an Approved Flag State, always provided that such approval shall not be required if a change is required and permitted pursuant to any Charter Contract for the relevant Collateral Vessel and the Security Documents are not impaired.

13.26 Class

The Collateral Vessels shall be classed with an Approved Classification Society with the highest class and no material overdue conditions of class (subject to any Collateral Vessel going into lay-up or being in lay-up). No change in class certification without the Bond Trustee's prior written consent (not to be unreasonably withheld), subject to any Collateral Vessels going into lay-up or being in lay-up.

13.27 Maritime safety

The Collateral Vessels shall comply with the ISM Code, the ISPS Code, Marpol and any other international maritime safety regulation relevant for the operation and maintenance of the Collateral Vessels.

13.28 Management

The Issuer shall (i) procure that the Collateral Vessels shall be managed by the Issuer and/or a wholly owned Group Company or by such other reputable manager as agreed in writing by the Bond Trustee and (ii) not make any material changes to the management of the Collateral Vessels if such change would have a Material Adverse Effect.

13.29 Technical inspection

Upon request of the Bond Trustee (if so instructed by Bondholders holding in aggregate no less than 30% of the Outstanding Bonds), arrange for the Bond Trustee, and/or any person appointed by the

Bond Trustee, to undertake a technical inspection of the Collateral Vessels without interference of the daily operation of the Collateral Vessels and at the expense of the Issuer (however limited to maximum one yearly inspection per Collateral Vessels unless an Event of Default has occurred and is continuing) and give access to the class records in respect of the relevant Collateral Vessel and disclose any such documentation upon request of the Bond Trustee.

13.30 Ownership of Collateral Vessels

The Issuer shall ensure that each Collateral Vessel remains owned by a Vessel Owner, provided that this shall not apply to (A) any disposal of a Collateral Vessel to another Group Company provided always that effective Security remains in place at all times and the Group Company which acquires the Collateral Vessel is or becomes a Vessel Owner upon such disposal, (B) any disposal of any Collateral Vessel or any Group Company directly or indirectly owning a Collateral Vessel where the relevant amount of the Bonds are redeemed in accordance with the Mandatory Prepayment provisions, or (C) entering into any charter or sub-charter contract in relation to a Collateral Vessel.

13.31 Sustainable recycling of Collateral Vessels

The Issuer shall ensure that each Collateral Vessel and any other vessel owned or controlled by the Group or sold to an intermediary with the intention of being dismantled, scrapped or recycled, is recycled at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner in accordance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 and/or EU Ship Recycling Regulation, 2013.

13.32 Financial Covenants

The Issuer shall comply with the following Financial Covenants:

- (a) Minimum Book Equity Ratio: Not less than 35.00%.
- (b) Minimum Free Liquidity: Not less than USD 20,000,000.
- (c) Working Capital: The Working Capital shall be positive.

The Issuer undertakes to comply with the above Financial Covenants (i) in respect of Minimum Free Liquidity, at all times, and (ii) in respect of Minimum Book Equity Ratio and Working Capital, on each Quarter Date, subject in each case to Clause 13.33 (*Financial Covenants Cure*), such compliance to be measured on each relevant Quarter Date and certified by the Issuer with a Compliance Certificate in connection with each respective Reporting Date for each Financial Report.

13.33 Financial Covenants Cure

- (a) If the Issuer does not comply with any of the Financial Covenants, and the Issuer receives net cash proceeds from any person (other than a Group Company) in the form of new equity or a Subordinated Loan (the "**Cure Amount**") no later than seven (7) Business Days following the Reporting Date, then (i) the relevant Minimum Book Equity Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase each of the Book Equity and the Total Assets by the Cure Amount on the relevant testing date, (ii) the Working Capital shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the current assets on the relevant testing date and (iii) the Minimum Free Liquidity shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the Minimum Free Liquidity on the relevant testing date by the Cure Amount .

- (b) If, after the Financial Covenants are recalculated as set out above, the breach has been remedied, the relevant Financial Covenants shall be deemed to have been satisfied on the relevant Reporting Date.
- (c) The Issuer shall be limited to a maximum of two (2) cures of actual failures to satisfy the Financial Covenants during the term of the Bonds, and no consecutive Financial Covenant cures are permitted.

13.34 Incurrence Test

- (a) The Incurrence Test shall be applied in respect of Distribution and the incurrence of New Debt (as defined below) and is met in respect of any:
 - (i) **Distribution:** if (A) the Leverage Ratio is less than 2.5x and (B) the Free Liquidity is at least USD 50,000,000 after such Distribution has been made, provided that if the Distribution is made from the Equity Basket Amount then no Incurrence Test in respect of such Distribution shall apply; and
 - (ii) **New Debt:** if the Book Equity Ratio is minimum 50%, provided that if the net proceeds from New Debt is applied for capital expenditure in respect of existing Collateral Vessels, then no Incurrence Test in respect of such New Debt shall apply.
- (b) For the purposes of the Incurrence Test, "New Debt" means Bonds issued under a Tap Issue, New Unsecured Financial Indebtedness and/or Additional Secured Debt.
- (c) The calculation of the Free Liquidity, the Leverage Ratio and the Book Equity Ratio shall be made as per a testing date determined by the Issuer, falling no earlier than 1 month prior to the event relevant for the application of the Incurrence Test as follows:
 - (i) EBITDA shall be calculated in accordance with the most recent Financial Report for which a compliance certificate has been delivered and for that Relevant Period adjusted by:
 - (A) including the operating profit before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a Group Company (or attributable to a business or assets) acquired during the Relevant Period for that part of the Relevant Period) prior to its becoming a Group Company or (as the case may be) prior to the acquisition of the business or assets; and
 - (B) excluding the operating profit before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to any Group Company (or to any business or assets) disposed of during the Relevant Period for that part of the Relevant Period.
 - (ii) Total Net Debt shall be calculated in accordance with the most recent Financial Report for which a Compliance Certificate has been delivered and for that Relevant Period adjusted by any repayment, prepayment or incurrence of Borrowings.
 - (iii) Book Equity Ratio shall be calculated in accordance with the most recent Financial Report for which a Compliance Certificate has been delivered, but adjusted so that the full amount of the New Debt in respect of which the Incurrence Test is applied shall be included.
 - (iv) Free Liquidity shall be tested pro forma as if the relevant Distribution has been made.

13.35 Revolving Credit Facilities

- (a) The Issuer shall ensure that the aggregate amount of:
- (i) any cash loans under any Revolving Credit Facility; less
 - (ii) any Cash and Cash Equivalents held by Group Companies,
- shall not exceed zero for a period of not less than two (2) consecutive Business Days (a “**Net Clean Down**”) (as confirmed in a Compliance Certificate) once every twelve (12) months, with no less than 3 months elapsing between two such periods.
- (b) All amounts outstanding under the finance documents for any Revolving Credit Facilities shall be secured on a pari passu basis by the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) on the terms of the Intercreditor Agreement (pursuant to which it shall have super senior status with respect to any proceeds after an enforcement event).

14 EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

- (a) Non-payment
- A Group Company fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:
- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or
 - (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.
- (b) Breach of other obligations
- A Group Company does not comply with any provision of the Finance Documents, unless such failure is capable of being remedied and is remedied within twenty (20) Business Days after the earlier of the Issuer’s actual knowledge thereof or notice thereof being given to the Issuer by the Bond Trustee, except for the failure to comply with paragraph (a) (Non-payment) above.
- (c) Misrepresentation
- Any representation, warranty or statement (including statements in Compliance Certificates) made under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within twenty (20) Business Days of the earlier of the Bond Trustee giving notice to the Issuer or the Issuer becoming aware of such misrepresentation.
- (d) Cross default
- If for the Issuer and the Group Companies:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (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); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), except for maintenance financial covenants which shall only be subject to paragraph (ii) above, 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), except for maintenance financial covenants which shall only be subject to paragraph (ii) above,

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 15,000,000 (or the equivalent thereof in any other currency).

(e) Insolvency and insolvency proceedings

A Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) 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 a solvent liquidation or reorganisation; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
 - (C) 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
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1(d)(*Cross default*) above; or
 - (E) for (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

however this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement.

(f) Creditor's process

Any expropriation, attachment, sequestration, distress, or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount

set out in paragraph 14.1(d) (*Cross default*) above and is not discharged within twenty (20) Business Days.

(g) Unlawfulness

It is or becomes unlawful for a Group Company to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i)** the ability of such Group Company to perform its obligations under these Bond Terms; or
- (ii)** the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

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

14.3 Bondholders' instructions

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

- (a)** the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b)** the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*) as applicable at the following dates (and regardless of the Default Repayment Date):

- (a)** for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (Non-payment), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b)** for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

15 BONDHOLDERS' MEETING

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a), section (i) and (ii) of Clause 15.2 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds (for the avoidance of doubt, voting as one class) represented at the Bondholders' Meeting is required for approval of any waiver or amendment of any provisions of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

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

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the re-requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with

the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).

- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (Redemption and Repurchase of Bonds).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

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

15.4 Repeated Bondholders' Meeting

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

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.

- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholder's Meeting*), Clause 15.3 (*Voting Rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply mutatis mutandis to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5 (*Written Resolution*),
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (f) or paragraph (g) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the Summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

16 THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee),

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

16.2 The duties and authority of the Bond Trustee

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

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

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

16.3 Equality and conflicts of interest

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

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts; or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

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

16.5 Replacement of the Bond Trustee

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

- (e) Upon change of Bond Trustee the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

16.6 Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.
- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) 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.
- (d) 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 each Obligor and any other party to a Finance 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, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply mutatis mutandis to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

16.7 Quiet Enjoyment Letters

If so requested in writing by the Issuer, the Security Agent shall (on behalf of the Secured Parties) be authorised and obliged to issue a Quiet Enjoyment Letter to an end-user of a Collateral Vessel (at the cost of the Issuer and without any consent, sanction, authority or further confirmation from any creditor, another Secured Party or Obligor).

17 AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

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

- (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Meetings*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). 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.

17.2 Authority with respect to documentation

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

17.3 Notification of amendments or waivers

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

18 MISCELLANEOUS

18.1 Limitation of claims

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

18.2 Access to information

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

18.3 Notices, contact information

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

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

18.4 Defeasance

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

(iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

(A) the Issuer will be relieved from its obligations under Clause 12.2 (*Requirements as to Financial Reports*) paragraph (a), Clause 12.3 (*Change of Control Event*), Clause 12.5 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*);

(B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and

(C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.

(b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.

(c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

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

19 GOVERNING LAW AND JURISDICTION

19.1 Governing law

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

19.2 Main jurisdiction

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

19.3 Alternative jurisdiction

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

(a) to commence proceedings against the Issuer or any other Obligor or any of its/their respective assets in any court in any jurisdiction; and

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

19.4 Service of process

- (a)** Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
 - (i)** irrevocably appoints Marinelaw AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
 - (ii)** agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b)** If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within ten (10) Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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

SIGNATURES

The Issuer:

Floatel International Ltd.



By:

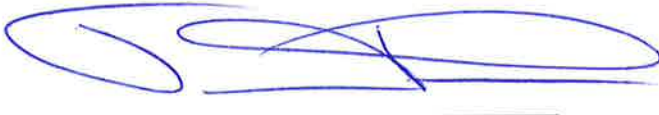
Ole Stribolt Brænde

Position:

Attorney-in-fact

As Bond Trustee and Security Agent:

Nordic Trustee AS



By:

Vivian Trøsch

Position:

Authorised signatory

SCHEDULE 1
COMPLIANCE CERTIFICATE

[date]

Floatel International Ltd. 9.75% bonds 2024/2029 ISIN NO0013188102

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with [each delivery of Financial Reports to the Bond Trustee / any event which is subject to an Incurrence Test].

This letter constitutes the Compliance Certificate [for the period [●] / in relation to the Incurrence Test for [●]].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate and there has been no material adverse change the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you. [Copies of our latest consolidated [Financial Statements] / [Interim Accounts] are enclosed].

[The Financial Covenants set out in Clause 13.32 (*Financial Covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.]

[The Free Market Value of the Collateral Vessels have been determined by [two/three] Approved Brokers, please see the valuations attached hereto.]¹

[With reference to Clause 13.35 (*Revolving Credit Facilities*), we hereby confirm that a clean down was completed on [date].]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

FLOATEL INTERNATIONAL LTD.

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

¹ To be included to the extent that the Free Market Value of the Collateral Vessels need to be determined on the relevant Quarter Date.

SCHEDULE 2
RELEASE NOTICE – ESCROW ACCOUNT

[date]

Dear Sirs,

Floatel International Ltd. 9.75% bonds 2024/2029 ISIN NO0013188102

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw [the amount specified in Enclosure I (*Flow of Funds*)]/[all amounts] from the Escrow Account to be applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (ii) we confirm that the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof.

Yours faithfully,

Floatel International Ltd.

Name of authorised person

Enclosure I: *Flow of Funds*

GUARANTEE

(No. *selvskyldnerkausjon*)

made by

THE COMPANIES LISTED IN SCHEDULE 1

as Guarantors

to the benefit of

NORDIC TRUSTEE AS

dated 12 April 2024

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SCHEDULE 1: LIST OF GUARANTORS

SCHEDULE 2: FORM OF NOTICE OF DEMAND

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SCHEDULE 4: FORM OF RESIGNATION LETTER

SCHEDULE 5: CONDITIONS PRECEDENT DOCUMENTS IN RESPECT OF ADDITIONAL GUARANTORS

THIS GUARANTEE (the "**Guarantee**") is dated 12 April 2024 and made by:

The companies listed in **Schedule 1 (List of Guarantors)** hereto as guarantors (the "**Guarantors**" and each a "**Guarantor**"),

IN FAVOUR OF:

NORDIC TRUSTEE AS, of Kronprinsesse Märthas plass 1, Oslo Norway, with registration number 963 342 624, on behalf of the Secured Parties under the Intercreditor Agreement (as defined below) (the "**Security Agent**").

WHEREAS:

- (A) Pursuant to a senior secured bond terms agreement dated 5 April 2024 (as amended, restated, modified and/or supplemented from time to time, the "**Bond Terms**") and made between Floatel International Ltd, an exempted company existing under the laws of Bermuda with registration number 38902, as issuer (the "**Issuer**") and the Security Agent as bond trustee for the bondholders, the Issuer has issued bonds with ISIN NO0013188102 in an initial issue amount of USD 350,000,000 and a maximum issue amount of USD 400,000,000 subject to the terms and conditions of the Bond Terms.
- (B) It is a condition under the Bond Terms that the Guarantors execute and deliver an irrevocable and unconditional guarantee.

The Security Agent shall hold guarantee and security interest created hereunder for the benefit of the Secured Parties under the Intercreditor Agreement.

IT IS DECLARED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Guarantee terms defined in the Intercreditor Agreement have, unless otherwise defined herein, the meaning given to them in the Intercreditor Agreement and:

"**Accession Letter**" means a document substantially in the form set out in Schedule 3 (Form of Accession Letter).

"**Final Discharge Date**" has the meaning given to that term in the Intercreditor Agreement.

"**Event of Default**" has the meaning given to that term in the Intercreditor Agreement.

"**FA Act**" means the Norwegian Financial Agreements Act of 18 December 2020 no. 146 (No. *finansavtaleloven*).

"**Guarantee Period**" means the period beginning on the date of this Guarantee and ending on the Final Discharge Date.

"**Intercreditor Agreement**" means the intercreditor agreement dated 8 April 2024 (as amended, restated, modified and/or supplemented from time to time), and made between, among others, the Issuer as Company, the Security Agent as Senior Secured Bond Trustee and Security Agent and the companies set out in Schedule 1 thereto as Original Debtors (each term as defined therein).

“Resignation Letter” means a letter substantially in the form set out in Schedule 4 (*Form of Resignation Letter*).

“Secured Obligations” has the meaning given to that term in the Intercreditor Agreement.

“Secured Parties” has the meaning given to that term in the Intercreditor Agreement.

1.2 Construction

- a) Unless a contrary indication appears, any reference in this Guarantee to:
- (i) a provision of law is a reference to that provision as amended or re-enacted;
 - (ii) a party to this Guarantee and any Debt Document includes such party's successors in title and permitted transferees and assigns;
 - (iii) any Guarantee or instrument (including any Debt Document) is a reference to that Guarantee or instrument as amended, novated, supplemented, extended or restated subject to any restriction on such changes contained herein and in the Intercreditor Agreement;
 - (iv) **“assets”** includes present and future properties, revenues and rights of every description;
 - (v) a **“person”** includes 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); and
 - (vi) a time of day is a reference to Oslo time.
- b) In this Guarantee, a reference to a Clause or a Schedule is a reference to a clause of, or a schedule to this Guarantee except as otherwise indicated in this Guarantee.
- c) Section, Clause and Schedule headings are for ease of reference only.
- d) This Guarantee is entered into subject to the terms of the Intercreditor Agreement. In the event of a conflict between the terms of this Guarantee and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.

1.3 Guarantors' agent

- a) Each Guarantor, to the extent legally permissible, by its execution of this Guarantee irrevocably appoints the Issuer to act on its behalf as its agent in relation to the Debt Documents and irrevocably appoints:
- (i) the Issuer on its behalf to supply all information concerning itself, its financial condition and otherwise to the Secured Parties as contemplated by the Debt Documents and to give and receive all notices, consents and instructions to be given by such Guarantor under the Debt Documents, to agree, accept and execute on its behalf all documents in connection with the Debt Documents (including amendments and variations and consents under any Debt Document) and to execute any new Debt Document and to take such other action as

may be necessary or desirable by a Guarantor under or in connection with the Debt Documents, without further reference to or the consent of that Guarantor; and

- (ii) each Secured Party to give any notice, demand or other communication to that Guarantor pursuant to the Debt Documents to the Issuer on its behalf.
- b) Each Guarantor confirms that:
- (i) it will be bound by any action taken by the Issuer under or in connection with the Debt Documents to the extent legally permissible; and
 - (ii) each Guarantor may rely on any action purported to be taken by the Issuer on behalf of that Guarantor.
- c) The respective liabilities of each of the Guarantors under the Debt Documents shall not be in any way affected by:
- (i) any actual or purported irregularity in any act done, or failure to act, by the Issuer;
 - (ii) the Issuer acting (or purporting to act) in any respect outside any authority conferred upon it by any Guarantor; or
 - (iii) any actual or purported failure by, or inability of, the Issuer to inform any Guarantor of receipt by it of any notification under the Debt Documents.
- d) In the event a Guarantor issues a notice or other communication in conflict with any notices or other communication of the Issuer, the notice or communication of the Issuer shall prevail.

2 GUARANTEE AND LIMITATION THEREOF

2.1 Guarantee

- a) As continuing security for the due and punctual payment, discharge and performance of the Secured Obligations, each Guarantor hereby, jointly and severally, irrevocably and unconditionally, on the terms and conditions set out herein, guarantees as independent primary obligors (No. *selvskyldnerkausjonist*) to the Security Agent (on behalf of the Secured Parties) the payment, discharge and punctual performance of the Secured Obligations on the Security Agent's demand until the expiry of the Guarantee Period.
- b) Each Guarantor hereby irrevocably and unconditionally undertakes with the Security Agent (on behalf of the Secured Parties) that it shall pay any amount owed by a Guarantor in connection with the Secured Obligations as if it was the principal obligor.
- c) Each Guarantor hereby irrevocably and unconditionally indemnifies the Security Agent (on behalf of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Secured Obligations is or becomes unenforceable, invalid or illegal.

2.2 Guarantee limitation

This Guarantee does not apply to any liability to the extent that it would result in this Guarantee constituting unlawful financial assistance under Chapter 2 (Financial assistance for purchase of own shares) of Part 18 of the United Kingdom Companies Act 2006 and, with respect to any Additional Guarantor (as defined below), is subject to any limitations set out in the Accession Letter applicable to such Additional Guarantor.

3 PAYMENT ON DEMAND

In the case of failure by the Issuer punctually to pay any sum due under the Debt Documents (whether by acceleration or at stated maturity), each Guarantor hereby agrees to make such payment within five (5) Business Days of first written notice of demand from the Security Agent, substantially in the form attached as Schedule 2 hereto. For the avoidance of doubt this obligation shall not be construed to be a waiver of the Guarantors' right to invoke any lawful defense it may have as an independent primary obligor (No. *selvskyldner*).

4 CLAIM AGAINST THE ISSUER

No Guarantor shall, until the Secured Obligations have been duly and irrevocably fulfilled and discharged in full (i) demand payment from the Issuer of amounts paid under this Guarantee without the written consent of the Security Agent, or (ii) prove in the liquidation or insolvency of the Issuer without the written consent of the Security Agent in respect of any moneys paid or payable or contingently payable by a Guarantor under this Guarantee, and if such consent is given shall give the Security Agent the benefit of every such proof and all moneys to be received in respect thereof.

5 REPRESENTATIONS AND WARRANTIES

5.1 Representations

Each Guarantor represents and warrants to the Security Agent that:

- a) 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 Guarantee and the transactions contemplated by this Guarantee; and
- b) this Guarantee does not conflict with any of its constitutional documents of the relevant Guarantor or any law or regulation applicable to the relevant Guarantor.

5.2 Repetition

All the representations and warranties set out in this Clause 5 are made by each Guarantor on the date of this Guarantee and are deemed to be repeated by each Guarantor on each date during the Guarantee Period on which any of the representations or warranties set out in Clause 7 (*Representations and Warranties*) of the Bond Terms are repeated with reference to the facts and circumstances then existing.

6 UNDERTAKINGS

- a) Each Guarantor undertakes not to do or cause or permit to be done anything, or omit to take any action, which will, or could be reasonably expected to adversely affect the rights of the Security Agent under this Guarantee, or cause an Event of Default to occur, or which is in any way inconsistent with, jeopardises or otherwise prejudices the rights of the Security Agent under this Guarantee.

- b) The undertakings in this Clause 6 remain in force throughout the Guarantee Period and are given to each of the Security Agent and the Secured Parties.

7 CONTINUING GUARANTEE AND COMPLIANCE WITH THE FA ACT

7.1 Continuing guarantee

The Guarantee is a continuing guarantee, and shall extend to the ultimate balance of the Secured Obligations and shall continue in full force and effect notwithstanding any intermediate payment or discharge in whole or in part of the Secured Obligations and shall be effective until the Security Agent has confirmed in writing that the Secured Obligations have been irrevocably discharged in full.

7.2 Waiver of defences

The obligations of the Guarantors under this Guarantee shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate any of the Guarantors from its obligations under this Guarantee or prejudice or diminish those obligations in whole or in part (unless such release or exoneration is intended and consented to in writing by the Security Agent), including (but not limited to):

- a) any time or waiver granted to, or composition with, a Guarantor or any other person;
- b) any release of a Guarantor or any other person under the terms of any composition or arrangement with a Guarantor or any other person;
- c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, a Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Guarantor or any other person;
- e) any amendment or replacement of any Debt Document or any other document or security interest;
- f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security interest; or
- g) any insolvency or similar proceedings.

7.3 Disapplication of the FA Act

The Security Agent and each Guarantor acknowledge and agree that, to the extent permitted by law, any provisions of the FA Act and any related regulations which are not mandatory, including (without limitation) sections 3-36 and 6-1 to 6-13, shall not apply to this Agreement or any other Debt Document or to the relationship between the Security Agent and the Guarantors.

7.4 Other security

This Guarantee and the obligations of the Guarantors set out herein are in addition to, and independent of, any other guarantee or security which may be held by the Security Agent or any Secured Party at any time in respect of the Secured Obligations. No Guarantor shall be entitled to require the Security Agent first to proceed

against or enforce any other guarantee or any security of, or claim payment from, the Issuer, any other Subsidiary or any other person.

8 FURTHER ASSURANCE

The Guarantors shall promptly do all such acts or execute all such documents (including assignments, transfers, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)) to fulfil the intention of this Guarantee.

9 ENFORCEMENT

Upon and at any time following the occurrence of an Event of Default which is continuing this Guarantee is enforceable and the Security Agent may (at its discretion) enforce all or any part of the Guarantee created by this Guarantee in accordance with the applicable statutory procedures of enforcement.

10 APPLICATION OF PROCEEDS

Any proceeds collected or received by the Security Agent on behalf of the Secured Parties after an enforcement of the Guarantee (or any receiver appointed to collect or receive such proceeds) shall be applied by the Security Agent in payment of the Secured Obligations in accordance with the provisions of the Intercreditor Agreement (but without prejudice to the right of the Secured Parties to recover any shortfall from the Issuer or the Guarantors).

11 INDEMNITY

a) The Secured Parties and each agent or attorney appointed by the Security Agent under this Guarantee shall be entitled to be indemnified by the Guarantors in respect of all liabilities, costs and expenses properly incurred by them in connection with:

- (i) the execution or purported execution of any rights, powers or discretion vested in them under this Guarantee;
- (ii) the preservation or enforcement of its rights under this Guarantee; and
- (iii) the release of any obligation under this Guarantee;

and the Secured Parties and any such agent or attorney may retain and pay all sums in respect of the same out of moneys received under the powers hereby conferred.

b) No Secured Party shall be liable for any losses or costs incurred by a Guarantor in connection with the exercise or purported exercise of any of the Secured Parties' rights, powers and discretions in good faith under this Guarantee.

12 POWER OF ATTORNEY

By way of security, the Guarantors hereby irrevocably appoint, to the extent permitted by applicable law, the Security Agent as its attorney-in-fact, with full power of substitution, to, following the occurrence of an Event of Default which is continuing, do any act which a Guarantor is obliged by this Guarantee to do, but in the reasonable opinion of the Security Agent has failed to do.

13 ASSIGNMENT

- a) The Security Agent may at any time assign or transfer any of its rights and/or obligations under this Guarantee in accordance with the terms of the Debt Documents.
- b) The Guarantors may not assign or transfer any of their rights and/or obligations under this Guarantee.

14 ADDITIONAL GUARANTORS

- a) The Issuer may by written notice to the Security Agent request that any of its Subsidiaries accede to the Guarantee and become a Guarantor (an "**Additional Guarantor**") in accordance with the terms of the Bond Terms and/or any other relevant Debt Document.
- b) A member of the Group shall become an Additional Guarantor if:
 - (i) the Issuer and the proposed Additional Guarantor deliver to the Security Agent a duly completed and executed Accession Letter; and
 - (ii) the Security Agent has received all of the documents and other evidence listed in Schedule 5 (Conditions precedent documents) in relation to that Additional Guarantor, each in form and substance satisfactory to the Security Agent.
- c) The Security Agent shall notify the Issuer promptly upon being satisfied that it has received (each in form and substance satisfactory to it) all the documents and other evidence required as conditions precedent documents in relation to that Additional Guarantor.

15 RESIGNATION OF GUARANTORS

- a) Subject to the terms of the Bond Terms and/or any other relevant Debt Document, the Issuer may request that a Subsidiary ceases to be a Guarantor (each a "**Resigning Guarantor**") by delivering to the Security Agent a duly completed Resignation Letter.
- b) Subject to the terms of the Bond Terms and/or any other relevant Debt Document, the Security Agent shall accept such Resignation Letter and notify the Issuer and the Guarantors of its acceptance if:
 - (i) the Issuer has confirmed to the Security Agent that no Event of Default under the Debt Documents entered into with one or several Secured Parties is continuing or would result from the acceptance of the Resignation Letter; and
 - (ii) no payment is due from the Resigning Guarantor under the Guarantee.
- c) The resignation of any Resigning Guarantor is effective from the date on which the Security Agent confirms that the conditions for release are fulfilled at which time that Resigning Guarantor ceases to be a Guarantor and has no further rights or obligations under the Guarantee.

16 RELEASE OF GUARANTEE OBLIGATIONS

Upon expiry of the Guarantee Period, the Security Agent shall, at the request and at the cost of the Guarantors, promptly release the Guarantors from all obligations hereunder and give such instructions and directions as the Guarantors reasonably may require in order to consummate such release.

17 MISCELLANEOUS PROVISIONS

17.1 Waivers

The rights of the Security Agent under this Guarantee may be waived only in writing and specifically, subject to the provisions of the Debt Documents, on such terms as the Security Agent sees fit.

17.2 Amendments

This Guarantee may not be amended unless by an instrument in writing and signed by or on behalf of the Guarantors and the Security Agent having obtained the requisite approval in accordance with the provisions of the Debt Documents.

17.3 Notices

The terms of Clause 24 (*Notices*) of the Intercreditor Agreement shall apply as if incorporated into this Guarantee and any notice given under or in connection with this Guarantee with references in such Clause to "this Agreement" being deemed references to this Guarantee, and the Parties hereto agree to be bound by terms *mutatis mutandis* identical to those applying pursuant Clause 24 (*Notices*) of the Intercreditor Agreement to the Parties of that document.

17.4 Counterparts

This Guarantee may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.

18 GOVERNING LAW AND JURISDICTION

- a) This Guarantee shall be governed by and construed in accordance with Norwegian law.
- b) The courts of Norway shall have exclusive jurisdiction over matters arising out of or in connection with this Guarantee. The Oslo City Court (No. *Oslo tingrett*) shall be the court of first instance. The submission to the jurisdiction of the Oslo City Court shall not limit the right of the Security Agent or a Secured Party to take proceedings against a Guarantor in any court which may otherwise exercise jurisdiction over the Guarantor or any of its assets.

* * *

This Guarantee has been entered into on the date stated at the beginning of this Guarantee by the Guarantors listed on the execution page at the end of this Guarantee.

SCHEDULE 1
LIST OF GUARANTORS

NO	GUARANTOR
1.	Floatel Superior Ltd (an exempted company with limited liability formed and existing under the laws of Bermuda with registration number 40891).
2.	Floatel Reliance Ltd (an exempted company with limited liability formed and existing under the laws of Bermuda with registration number 41165).
3.	Floatel Victory Ltd (an exempted company with limited liability formed and existing under the laws of Bermuda with registration number 45615).
4.	Floatel Triumph Ltd (an exempted company with limited liability formed and existing under the laws of Bermuda with registration number 47937).
5.	Floatel Endurance Ltd (an exempted company with limited liability formed and existing under the laws of Bermuda with registration number 46839).
6.	Floatel Rigs Ltd (an exempted company with limited liability formed and existing under the laws of Bermuda with registration number 202100256).
7.	Floatel UK Contractor Limited (formerly Floatel TLB UK Limited) (a private limited liability company formed and existing under the laws of Scotland with registration number SC500821).
8.	Floatel Singapore Pte. Ltd. (a limited liability company incorporated and existing under the laws of Singapore with registration number 201425786E).
9.	Floatel Operations AS (a limited liability company incorporated and existing under the laws of Norway with registration number 927 672 863).

SCHEDULE 2

FORM OF NOTICE OF DEMAND

To: [•]

GUARANTEE DATED [•] 2024 FOR THE OBLIGATIONS OF FLOATEL INTERNATIONAL LTD – NOTICE OF DEMAND

Dear Sirs,

We make reference to the Guarantee executed by yourselves in our favour dated [•] 2024.

We hereby notify you that the obligations of the Issuer as described in the above mentioned Guarantee, [amount] are due and unpaid. Consequently, we hereby demand from you the prompt payment of [amount] which shall be paid forthwith to our account no. [•].

Place/date

for and on behalf of
NORDIC TRUSTEE AS

Name:

SCHEDULE 3

FORM OF ACCESSION LETTER

To: Nordic Trustee AS as Security Agent

From: [Subsidiary] and Floatel International Ltd.

Date: []

GUARANTEE AGREEMENT DATED [] 2024 (THE "GUARANTEE")

We refer to the Guarantee. This is an Accession Letter. Unless otherwise indicated, terms defined in the Guarantee have the same meaning in this letter.

- 1 [Subsidiary] agrees to become an Additional Guarantor under the Agreement and to be bound by the terms of the Agreement as an Additional Guarantor pursuant to Clause 15 (*Additional Guarantors*) of the Guarantee.
- 2 [Subsidiary] is a company duly incorporated or formed under the laws of [name of relevant jurisdiction].
- 3 [Insert guarantee limitation language, if appropriate pursuant to applicable law]
- 4 [Subsidiary's] administrative details are as follows:

Address:

E-mail:

Attention:

This Accession Letter is governed by Norwegian law.

FLOATEL INTERNATIONAL LTD
as Issuer

[SUBSIDIARY]
as Additional Guarantor

By:
Name:
Title: [Authorised signatory]

By:
Name:
Title: [Authorised signatory]

NORDIC TRUSTEE AS

as Security Agent

By:

Name:

Title: [Authorised signatory]

SCHEDULE 4

FORM OF RESIGNATION LETTER

To: Nordic Trustee AS as Security Agent
From: [Subsidiary] and Floatel International Ltd
Date: [•]

GUARANTEE AGREEMENT DATED [] 2024 (THE "GUARANTEE")

We refer to the Guarantee. This is a Resignation Letter. Unless otherwise indicated, terms defined in the Guarantee have the same meaning in this letter.

Pursuant to Clause 16 (Resignation of Guarantors) of the Guarantee, we request that [Subsidiary] (the "**Resigning Guarantor**") is released from its obligations as a Guarantor under the Guarantee.

We confirm that:

- (i) no Event of Default under the Debt Documents entered into with one or several Secured Parties is continuing or would result from the acceptance of the Resignation Letter; and
- (ii) no payment is due from the Resigning Guarantor under the Guarantee.

This Resignation Letter is governed by Norwegian law.

FLOATEL INTERNATIONAL LTD as Issuer

[SUBSIDIARY]
as Resigning Guarantor

By:

Name:

Title: [Authorised signatory]

By:

Name:

Title: [Authorised signatory]

NORDIC TRUSTEE AS
as Security Agent

By:

Name:

Title: [Authorised signatory]

SCHEDULE 5
CONDITIONS PRECEDENT DOCUMENTS IN RESPECT OF ADDITIONAL GUARANTORS

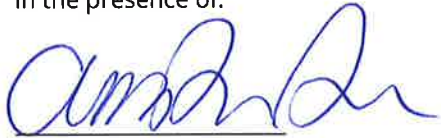
- a) An Accession Letter executed by the Additional Guarantor and the Issuer;
- b) a copy of its memorandum or articles of association (or similar documentation);
- c) a copy of its certificate of registration or incorporation (or similar documentation);
- d) a copy of a resolution of its board of directors (or equivalent governing body):
 - (i) approving the terms of, and the transactions contemplated by, the Accession Letter and the Guarantee and resolving that it executes, delivers and performs the Accession Letter and any other related documents;
 - (ii) authorising a specified person or persons to execute the Accession Letter and any other related documents to which it is a party on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices to be signed and/or despatched by it under or in connection with the Guarantee and any other related documents to which it is a party.
- e) if not included in the resolutions referred to in item d above, a copy of a power of attorney to its representatives for the execution and registration of the Accession Letter and any other related documents to which it is a party;
- f) if required, a resolution of its shareholders or of its board of directors (as applicable) for the execution of the Accession Letter and any other related documents to which it is or shall become a party;
- g) confirmation that the representations and warranties included in Clause 6 of the Guarantee are true and accurate for the Additional Guarantor;
- h) if required by the Security Agent, legal opinions in form and substance satisfactory to the Security Agent from lawyers acceptable to the Security Agent on matters concerning all relevant jurisdictions; and
- i) any conditions precedent documents not covered under a)-h) above and required under the relevant Debt Documents.

SIGNATORIES

The Guarantors:

FLOATEL SINGAPORE PTE. LTD.

Signed, Sealed and Delivered as a Deed
by
as attorney for and on behalf of
FLOATEL SINGAPORE PTE. LTD.
in the presence of:



Witness

Name: 


)
)
)
)
)




Attorney-in-Fact



For and on behalf of
FLOATEL SUPERIOR LTD

By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact

For and on behalf of
FLOATEL VICTORY LTD

By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact

For and on behalf of
FLOATEL RELIANCE LTD

By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact

For and on behalf of
FLOATEL TRIUMPH LTD


By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact



For and on behalf of
FLOATEL ENDURANCE LTD

By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact

For and on behalf of
FLOATEL RIGS LTD

By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact

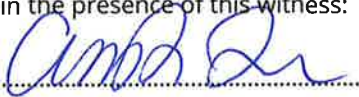
For and on behalf of
FLOATEL OPERATIONS AS

By: 
Name with
block letters: **Ole Stribolt Brænde**
Attorney-in-fact

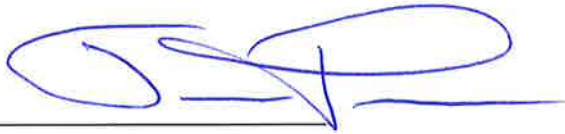
For and on behalf of
FLOATEL UK CONTRACTOR LIMITED by
 Signature

acting under power of attorney granted by Floatel
UK Contractor Limited in their favour dated 26 March
2024

in the presence of this witness:

 Witness
Anniken Due Full name
Solheimgata 3b Address
0267 Oslo, Norway

The Security Agent:
NORDIC TRUSTEE AS

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end.

By: _____

Name:

Vivian Trøsch

Title:

Authorised signatory