

Denne melding til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee AS

To the bondholders in:

ISIN: NO 001 035463.2 - FRN Sea Production Ltd Senior Secured Callable Bond Issue 2007/2012

Oslo, 4 January 2018

Notice of a Written Bondholders' Resolution

1. INTRODUCTION

Nordic Trustee AS (formerly known as Norsk Tillitsmann ASA and Nordic Trustee ASA) (the "**Bond Trustee**") acts as bond trustee for the holders (the "**Bondholders**") of the Senior Secured Callable Bond Issue 2007/2012 (the "**Bonds**") issued by Sea Production Ltd (the "**Issuer**") and guaranteed by Puffin Ltd ("**Puffin**") and Wisdom Shipping (S) Pte. Ltd. ("**Wisdom**").

All capitalised terms used but not otherwise defined herein shall have the meanings assigned to them in the bond agreement for the Bonds (the "**Bond Agreement**") between the Issuer and the Bond Trustee originally dated 9 February 2007 (as amended, restated and/or supplemented from time to time).

The Bond Trustee has issued this request for a Written Resolution under Clause 17.10 (*Written Resolution*) of the Bond Agreement pursuant to a request from the Issuer under Clause 17.1(a) for approval in respect of: (i) an extension of the Maturity Date of the Bonds; (ii) a reduction of the period of notice the Issuer needs to provide under Clause 10.2 of the Bond Agreement if it chooses to exercise its Call Option to 5 Banking Days; and (iii) an amendment to the covenant under Clause 13.2(x) of the Bond Agreement to include a carve-out for any redemptions of the Loan by the Issuer in accordance with Clause 10.2 of the Bond Agreement.

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

2. AMENDMENTS TO THE BOND AGREEMENT

2.1 Maturity Extension

The Maturity Date of the Bonds is 12 January 2018. Given the current difficult trading environment in the offshore sector, in order to facilitate repayment and/or refinancing of the Bonds, the Issuer believes that it is important to have FPSO Front Puffin remaining on-hire and in operations as it would allow for a more certain review of the Issuer's financial position and a determination of an appropriate solution for the Bonds in the medium to long term.

In light of the above, the Issuer proposes to the Bondholders a further extension of the Maturity Date of the Bonds, such that the definition of the "**Maturity Date**" be amended in

the Bond Agreement from 12 January 2018 to 12 April 2018 (the “**Maturity Extension**”, and such amendments to the Bond Agreement to effect the Maturity Extension being the “**Maturity Extension Amendments**”).

2.2 Amendment to the Call Option Notice Period

The Issuer is proposing a reduction of the notice period under Clause 10.2 of the Bond Agreement to allow it to provide 5 Banking Days’ notice (instead of 30 Banking Days’ notice) of the proposed date of redemption to the Bond Trustee and the Bondholders if it chooses to exercise its Call Option under the Bond Agreement (the “**Call Option Notice Period Amendment**”).

2.3 Amendment to the Covenant Relating to Retention of Funds

The Issuer is proposing an amendment to Clause 13.2(x) of the Bond Agreement, relating to the retention of funds by the Issuer and each member of the Group, to include a carve-out for any redemptions of the Loan by the Issuer in accordance with Clause 10.2 of the Bond Agreement (the “**Covenant Amendment**”, and together with the Call Option Notice Period Amendment, the “**Bond Agreement Amendments**”).

2.4 Conditions to Amendments

In consideration for, and as a condition to, the Maturity Extension Amendments and the Bond Agreement Amendments being approved by the requisite majority of the Bondholders, the Issuer:

- a. shall agree to provide cost cover to the Bond Trustee for its and its legal advisers’ fees, costs and disbursements; and
- b. shall agree to co-operate with the Bond Trustee and its legal advisers in providing ongoing consultation and reasonable access to information and documentation,

during the period of the Maturity Extension (together, the “**Conditions**”).

Should the Conditions not be satisfied at any time, the Bond Trustee shall be entitled to terminate the Maturity Extension by giving written notice of the same to the Issuer.

3. PROPOSED RESOLUTION

Based on the foregoing, the Issuer has requested that the Bondholders adopt the following resolution (the “**Proposed Resolution**”):

“Subject to satisfaction of the Conditions, the Bondholders authorise the Bond Trustee to:

1. *enter into an amendment agreement to the Bond Agreement documenting the decision made by this Bondholders’ meeting to approve the Maturity Extension, the Maturity Extension Amendments and the Bond Agreement Amendments;*
2. *wave any Event of Default in respect of failure to repay the Bonds on the Maturity Date of the Bonds that may have occurred prior to the date on which the amendment agreement (referred to in paragraph 1 immediately above) is entered into; and*

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3. *enter into and execute any such agreements, letters, powers of attorney, deeds and/or notices necessary or advisable (in the absolute discretion of the Bond Trustee) in order to implement the Maturity Extension, the Maturity Extension Amendments and the Bond Agreement Amendments,*

such authorisations and instructions to take effect as a Written Resolution."

4. EVALUATION OF THE PROPOSED RESOLUTION

The Proposed Resolution is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. The Bondholders must independently evaluate the Proposed Resolution and vote accordingly.

5. WRITTEN BONDHOLDERS' RESOLUTION

Bondholders are hereby provided with a voting request for a Written Resolution pursuant to Clause 17.10 (*Written Resolution*) of the Bond Agreement. For the avoidance of doubt, no Bondholders' meeting will be held.

For a vote to be valid, the Bond Trustee must have received it by post, courier or email to the address indicated in the enclosed form at Schedule 1 (the "**Voting Form**") no later than 10 January 2018 at 13:00 hours (Oslo time) (the "**Voting Deadline**").

Notwithstanding the Voting Deadline, and subject to the provisions of Clause 17.10 (*Written Resolution*) of the Bond Agreement, the Proposed Resolution will become effective automatically upon receipt of affirmative votes by or on behalf of the Bondholders who at the date of this notice represent such majority of votes as would be required if the Proposed Resolution was voted on at a Bondholders' meeting at which all Bondholders entitled to attend and vote thereat were present and voting.

Votes which are submitted are final and cannot be withdrawn. In the event that Bonds are transferred to a new owner after votes have been submitted in respect of such Bonds, the new Bondholders shall accordingly not be entitled to submit a vote.


Yours sincerely
Nordic Trustee AS

Enclosed:

Schedule 1: Voting Form

SCHEDULE 1

Voting Form

FRN Sea Production Ltd Senior Secured Callable Bond Issue 2007/2012

The undersigned holder or authorised person/entity, votes in the following manner:

1. The Proposed Resolution as defined in the Notice of a Written Bondholders' Resolution dated 4 January 2018

In favour of the Proposed Resolution

Against the Proposed Resolution

| | |
|-------------------------|-----------------------------|
| ISIN NO 001 035463.2 | Amount of bonds owned |
| Custodian name | Account number at Custodian |
| Company | Day time telephone number |
| | Email |

Enclosed to this form is the complete printout from our custodian/VPS,¹ verifying our bondholding in the bond issue as of _____

We acknowledge that Nordic Trustee AS in relation to the written Bondholders' resolution for verification purposes may obtain information regarding our holding of bonds on the above stated account in the securities register VPS.

.....
Place, date

.....
Authorised signature

Return:

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

Telefax: +47 22 87 94 10
Tel: +47 22 87 94 00
mailto: mail@nordictrustee.no

¹ If the bonds are held in custody other than in the VPS, evidence provided from the custodian confirming that (i) you are the owner of the bonds, (ii) in which account number the bonds are hold, and (iii) the amount of bonds owned.