

(Dette brevet til obligasjonseierne er kun utarbeidet på engelsk. For ytterligere informasjon vennligst ta kontakt med Nordic Trustee ASA på telefon +47 22 87 94 00.)

To the bondholders in:

ISIN NO 001 0720790 – FRN BOA OCV AS Senior Secured Bond Issue 2014/2019

Oslo, 21 December 2018

SUMMONS FOR WRITTEN RESOLUTION

Nordic Trustee ASA (the “**Bond Trustee**”) acts as bond trustee for the above mentioned bond issue (the “**Bond Issue**”) issued by BOA OCV AS (the “**Issuer**”) pursuant to the bond loan agreement (the “**Bond Agreement**”) originally dated 6 October 2014, as amended on 17 July 2017, on 24 October 2017 and 1 November 2018.

All capitalised terms used herein shall have the meaning assigned to them in the Bond Agreement unless otherwise stated.

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

1. Background

Pursuant to clause 9 (*Interest*) the Issuer is obliged to pay interest in kind (*PIK – Interests*) equal to 9.75% per annum, by way of issuance of Additional Bonds. The issuance of Additional Bonds increases the principal amount with an accelerating effect, which under the current market conditions will make it unlikely that the full amount owed at the Maturity Date will be capable of being repaid.

It has therefore been suggested by the Issuer, in consultation with the majority of the Bondholders, to reduce the compounding interest element reflected in the PIK Interest from 9.75% per annum to 2.00 % per annum, and an adjustment of the Mandatory Redemption Premium as follows:

- (a) until the Interest Payment Date on 7 January 2019 at 101.95% instead of 101.50%,
- (b) from the Interest Payment Date on 7 January 2019 until the Interest Payment Date falling on 7 April 2019 at 103.95% instead of 101.50%,
- (c) from the Interest Payment Date on 7 April 2019 until the Interest Payment Date falling on 7 July 2019 at 106% instead of 100.50%,
- (d) from the Interest Payment Date on 7 July 2019 until the Interest Payment Date falling on 7 October 2019 at 108% instead of 100.50%,

- (e) from the Interest Payment Date on 7 October 2019 until the Interest Payment Date falling on 7 January 2020 at 110.30% instead of 100.50%,
- (f) from the Interest Payment Date on 7 January 2020 until the Interest Payment Date falling on 7 April 2020 at 112.5% instead of 100.50%,
- (g) from the Interest Payment Date on 7 April 2020 until the Interest Payment Date falling on 7 July 2020 at 114.80% instead of 100.50%,
- (h) from the Interest Payment Date on 7 July 2020 until the Interest Payment Date falling on 7 October 2020 at 117.20% instead of 100.50%, and
- (i) from the Interest Payment Date falling on 7 October 2020 until and including 30 December 2020 at 119.45% instead of 100.50%.

A new profit split shall be included in a new Clause 10B (*Profit Split*) to read as follows:

“10B.1 Preferred Profit Split Amount

From and including the Maturity Date the Issuer shall pay to the Bondholders an amount (the “**Preferred Profit Split Amount**”) which is equal to NOK 230,955,781 with the addition of interest of 14.75% per annum compounded quarterly from and including the Maturity Date (or lower pursuant to Clause 10B.2). The amount shall be payable 14 Banking Days after a capital event (the “**Capital Event**”) as defined below.

“**Capital Event**” shall mean any refinancing of the bond, the sale of any of the Vessels, and/or any corporate activity resulting in a Change of Control Event.

10B.2 Limitation of Preferred Profit Split Amount

The Preferred Profit Split Amount shall in the event of a sale of a Vessel or a Change of Control Event be limited to an amount equal to the asset value of the Issuer after repayment of PIK Interest and the Outstanding Bonds. The valuation shall be based on the sales price of the Vessel and any additional assets of the Issuer less costs in direct connection with the sale of the Vessel.”

2. The Proposal

2.1 Proposal to the Bondholders

Based on the foregoing, the Issuer proposes that the following resolution (the “**Proposal**”) be passed by the Bondholders:

- (a) In Clause 1.1 (*Definitions*) the definition of “**Mandatory Redemption Premium**” is amended by deleting paragraph (a) and including new paragraphs (a) – (c) to read as follows:

“Mandatory Redemption Premium” means the repayment prices specified in (a) – (c), which the Issuer needs to redeem the Bonds at, at the different times, and shall be calculated as follows, the applicable price below shall be determined on the basis of the relevant settlement date or at any other Payment Date the Bonds are redeemed:

- (a) with settlement date any time prior to the Interest Payment Date falling on 7 January 2019, at 101.95% of par plus accrued interests on redeemed amount;*

(b) with settlement date any time from and included, the Interest Payment Date on 7 January 2019, to but not included, the Interest Payment Date falling on 7 April 2019, at 103.95% of par plus accrued interests on redeemed amount;

(c) with settlement date any time from and included, the Interest Payment Date on 7 April 2019 until the Interest Payment Date falling on 7 July 2019 at 106% instead of 100.50%,

(d) with settlement date any time from and included, the Interest Payment Date on 7 July 2019 until the Interest Payment Date falling on 7 October 2019 at 108% instead of 100.50%,

(e) with settlement date any time from and included, the Interest Payment Date on 7 October 2019 until the Interest Payment Date falling on 7 January 2020 at 110.30% instead of 100.50%,

(f) with settlement date any time from and included, the Interest Payment Date on 7 January 2020 until the Interest Payment Date falling on 7 April 2020 at 112.5% instead of 100.50%,

(g) with settlement date any time from and included, the Interest Payment Date on 7 April 2020 until the Interest Payment Date falling on 7 July 2020 at 114.80% instead of 100.50%,

(h) with settlement date any time from and included, the Interest Payment Date on 7 July 2020 until the Interest Payment Date falling on 7 October 2020 at 117.20% instead of 100.50%,

(j) with settlement date any time from and included, the Interest Payment Date in falling on 7 October 2020 to, and including 30 December 2020, at 119.45% of par plus accrued interests on the redeemed amount.

(b) Clause 9.1 (*Interest*) is amended to read as follows:

*The Issuer shall pay interest on the par value of the Bonds (including the Temporary Bonds and any Additional Bonds) from, and including, 7 October 2018 at a fixed rate of 2.0 per cent (2 %) per annum (the “**Fixed Rate**”).*

(c) Clause 10.1 (*Maturity*) is amended to read as follows:

On the Maturity Date all the Outstanding Bonds shall be repaid at 100%.

(d) Clause 10.4 (*Mandatory Redemption*) is amended by deleting Clause 10.4.3 and including a new Clause 10.4.3 which shall read:

Unless otherwise stated, the Issuer shall redeem the Bonds at the Payment Date at the price equal to the applicable Mandatory Redemption Premium.

(c) A new Clause 10B (*Profit Split*) shall be included to read as follows:

“10B.1 Preferred Profit Split Amount

*From and including the Maturity Date the Issuer shall pay to the Bondholders an amount (the “**Preferred Profit Split Amount**”) which is equal to NOK 230,955,781 with the addition of interest of 14.75% per annum compounded quarterly from and including the Maturity Date (or lower pursuant to Clause 10B.2). The amount shall be payable 14 Banking Days after a capital event (the “**Capital Event**”) as defined below.*

“Capital Event” shall mean any refinancing of the bond, the sale of any of the Vessels, and/or any corporate activity resulting in a Change of Control Event.

10B.2 Limitation of Preferred Profit Split Amount

The Preferred Profit Split Amount shall in the event of a sale of a Vessel or a Change of Control Event be limited to an amount equal to the asset value of the Issuer after repayment of PIK Interest and the Outstanding Bonds. The valuation shall be based on the sales price of the Vessel and any additional assets of the Issuer less costs in direct connection with the sale of the Vessel”.

2.2 Evaluation of the Proposal

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

3. Further information

For questions to the Issuer, please contact

Helge Kvalvik, CEO: Tel +47 97 97 97 72; or
Albert Strand, Director Finance and Risk: Tel +47 90 74 44 61

For further questions to the Bond Trustee, please contact Nordic Trustee AS by mail at mail@nordictrustee.com, Lars Erik Lærum at telephone + 47 22 87 94 06. Bondholders may also contact the legal advisors of the Bond Trustee in Advokatfirmaet BA-HR AS. Please contact Richard Sjøqvist at ric@bahr.no or +47 22016803.

4. Written Resolution

Bondholders are hereby provided with a voting request for a Bondholders’ Written Resolution pursuant to clause 16.5 (*Written Resolutions*) of the Bond Agreement. For the avoidance of doubt, no Bondholders’ Meeting will be held.

Voting Period: The Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with a 2/3 majority before 11 January 2019 at 16:00 hours (Oslo time) (the “Voting Period”).

How to vote: A duly signed Voting Form with proof of ownership attached must be received by the Bond Trustee no later than at the end of the Voting Period and must be submitted by scanned e-mail or telefax as follows:

E-mail: mail@nordictrustee.no
Fax: +47 22 87 94 10

It is proposed that the Bondholders’ Meeting resolve the following (the “Proposed Resolution”):

“The Bondholders’ Meeting approves the Proposal as described in section 2 in the summons to this Bondholders’ Meeting.

The Bondholders further authorise the Bond Trustee to enter into such agreements and documents, consent to such waivers and amendments, take any actions and do all such things on behalf of the Bondholders as may be necessary or desirable to support or give effect to the Proposal, and/or the exercise of the Bond Trustee’s discretion, including, without limitation, amending and/or waiving the terms of the Bond Agreement.”

The Proposed Resolution will, according to the Bond Agreement, require a 2/3 majority of the Voting Bonds which must vote in favour of the resolution. To approve the Proposed Resolution, a Written Resolution is passed when the requisite majority has been achieved, even if the Voting Period has not yet expired. A Written Resolution may also be passed if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period, in which case the resolution of the relevant proposal is not approved.

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 achieved.

Votes which are submitted may be alternated or withdrawn before the end of the Voting Period or before the Bond Trustee has provided a notice of the Written Resolution.

If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period.

If the Proposal is not adopted, the amendment to the Bond Agreement will not be made.

Kind regards

Nordic Trustee AS



Lars Erik Lærum

Enclosed: Bondholder’s Voting Form

Voting form - Written Resolution – December 2018 / January 2019

ISIN NO 001 0720790 – FRN Boa OCV AS Senior Secured Bond Issue 2014/2019 (the “Bond Issue”)

The undersigned holder or authorised person/entity, votes either in favour of or against the Proposed Resolution.

☐ In favour the Proposed Resolution

☐ Against the Proposed Resolution

ISIN ISIN NO 001 0720790	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 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
Mail to: mail@nordictrustee.no

¹ If the bonds are held in custody other than in the VPS, an 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.