

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

To the bondholders in:

ISIN: NO 001 074424.6 - 12 per cent. NSA Bondco Limited Secured Callable Bond Issue 2015/2020

Oslo, 30 November 2018

REQUEST FOR A WRITTEN BONDHOLDERS' RESOLUTIONS – PROPOSAL TO AMEND THE BOND AGREEMENT

Nordic Trustee AS (the "**Bond Trustee**") acts as bond trustee for the bondholders (the "**Bondholders**") in the above mentioned bond issue (the "**Bond Issue**") with NSA Bondco Limited as issuer (the "**Issuer**").

Capitalized terms used herein shall have the meaning assigned to them in the bond agreement for the Bond Issue dated 31 August 2015 as amended by the Amendment Agreement No 1 dated 27 September 2017 (the "**Bond Agreement**"), unless otherwise stated herein.

The Issuer has requested the Bond Trustee to issue this request for a written Bondholders' resolution pursuant to Clause 16.5 (*Written Bondholders' Resolutions*) of the Bond Agreement to consider the approval of the Proposed Resolution, as further set out below.

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

1. BACKGROUND

Reference is made to the issue of USD 10,000 000 super senior bonds (the "**Super Senior Bonds**") pursuant to a super senior bond agreement dated 27 September 2017, made between the Issuer as issuer and Nordic Trustee AS as the bond trustee on behalf of the bondholders (the "**Super Senior Bond Agreement**"), to finance the operations of the Vessel and the general corporate purposes of the Issuer. The Issuer initially issued USD 6,000,000 of Super Senior Bonds, and pursuant to a Tap Issue Addendum dated 4 July 2018 an additional USD 4,000,000 of Super Senior Bonds were issued, and the maximum borrowing limit under the Super Senior Bond Agreement has been utilised.

There are continuing funding requirements relating to the Vessel including, without limitation, to finance the dry dock process and other essential payments relating to the Vessel which are falling due at the end of 2018 and the beginning of 2019. In order to meet these funding requirements, the Issuer is contemplating raising additional funds to finance the operations of the Vessel and the Issuer's general corporate purposes going forward.

After consulting with the Advisory Committee, the Issuer is proposing to increase the maximum issue amount available under the Super Senior Bond Agreement from USD 10,000,000 to USD 25,000,000 enabling the Issuer to issue additional Super Senior Bonds thereunder in several smaller tranches.

The Super Senior Bonds are unsecured, however, they are subject to the intercreditor agreement dated 27 September 2017 (the "**Intercreditor Agreement**") entered into between the Bond Trustee and Nordic Trustee AS (in its capacity as the bond trustee for the Super Senior Bonds), which provides, inter alia, that any proceeds (including enforcement proceeds) received by the Bond Trustee with respect to the Bonds, or any other amounts payable with respect to the Bonds, shall first be applied in repayment of the Super Senior Bonds until such time they have been paid in full (including all interest accrued thereon).

Subject to the increase of the maximum issue amount and the amendments to the Super Senior Bond Agreement as described in Section 2 (*The Proposal*) below being approved by a requisite majority of (i) the Bondholders and (ii) the holders of the Super Senior Bonds, the Issuer proposes to Issue additional Tap Bonds in a Tap Issue of USD 8,000,000 pursuant to the provisions of Clause 2.2 of the Super Senior Bond Agreement (as amended).

2. THE PROPOSAL

2.1 Amendment to the Bond Agreement

To implement the Proposed Resolution (as defined below) the Bond Agreement will need to be amended (together the "**Amendments**") as follows:

In Clause 1.1 (Definitions), the definition of "*Super Senior Financing Facility*" shall be amended in respect of the maximum amount thereunder as follows:

"Super Senior Financing Facility" means any bank or capital markets financing facility (entered into by the Issuer for the financing of the operation of the Vessel and the Issuer's general corporate purposes following the termination of the Charterparty) in the maximum amount of USD 25,000,000 with a super senior status ranking ahead of the Bonds, which will always be subject to the entering into of an intercreditor agreement in form and substance satisfactory to the Bond Trustee."

The amendments will be implemented by an amendment agreement no 2 to the Bond Agreement to be entered into by the Issuer and the Bond Trustee (the "**Amendment Agreement**") and shall, subject to satisfaction of the conditions precedent set forth in the amendment agreement, become effective upon execution of the Amendment Agreement.

2.2 The Proposed Resolution

The Issuer requests that the Bondholders adopt the following resolutions (the "**Proposed Resolutions**"):

- A. *approve the increase of the maximum issue amount under the Super Senior Bond Agreement from USD 10,000,000 to USD 25,000,000.*
- B. *approve the Amendments.*
- C. *authorise and instruct the Bond Trustee to negotiate, agree, enter into and deliver the Amendment Agreement implementing the Amendments.*
- D. *authorise and instruct the Bond Trustee to take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the Proposed Resolutions, including without limitation to prepare, finalise and enter into the necessary agreements and other documentation deemed appropriate in connection with the increase of the maximum issue amount under the Super Senior Bond Agreement, and for and on behalf of the Bondholders,*

take such further actions and negotiate, agree, enter into, sign and execute such agreements and documents that are required to complete and give effect to the Proposed Resolutions.

The members of the Advisory Committee have already indicated their support for the Proposed Resolutions.

Other than the Amendments prompted by the Proposed Resolutions, the terms and conditions of the Bond Agreement will remain unchanged and will continue to apply in their existing form.

2.3 The Proposed Resolution

Subject to the Proposed Resolutions being adopted by a requisite majority of the Bondholders, the Issuer intends to issue additional tap bonds in the amount of USD 8,000,000 pursuant to the Super Senior Bond Agreement, with the settlement date for the tap issue to be on or about 12 December 2018.

Any Bondholder that wishes to participate in the contemplated tap issue is requested to contact any of the persons in Arctic Securities AS (the "**Manager**") mentioned below as soon as possible and in any event no later than 12 noon (Oslo time) on 7 December 2018. The allocation of any tap bonds to the Bondholders will be made subject to the preferred allocation rights of the bondholders in the Super Senior Bond Issue.

Contacts:

Any questions related to the contemplated tap issue can be directed to the Manager:

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3. Non reliance

The Proposed Resolutions are presented to the Bondholders without evaluation or recommendation from the Bond Trustee. The Bondholders must independently evaluate whether the Proposed Resolutions are acceptable.

4. Written Bondholders' resolutions

Bondholders are hereby provided with a voting request for Bondholders' written resolutions pursuant to clause 16.5 of the Bond Agreement. For the avoidance of doubt, no Bondholders' Meeting will be held.

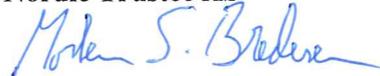
For a vote to be valid, the Bond Trustee must have received it by mail, courier or e-mail to the address indicated in the enclosed form (the "**Voting Form**") no later than 7 December 2018 at 13:00 hours (Oslo time) (the "**Voting Deadline**").

Notwithstanding the Voting Deadline, and subject to the provisions of clause 16.5 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 (which, for the avoidance of doubt is 2/3 of the Voting Bonds pursuant to clause 16.3.4 of the Bond Agreement) 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 the Bonds have been transferred to a new owner after voting is conducted, the new Bondholders shall accordingly not be entitled to vote.

Yours sincerely

Nordic Trustee AS



Morten S. Bredeesen

Enclosed: Written Bondholders' resolution

Written Bondholders' resolution

ISIN: NO 001 0744246 - 12 percent NSA Bondco Limited Senior Callable Bond Issue 2015/2020

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

1. The Proposed Resolution as defined in the notice for written resolution dated 30 November 2018:

In favour of the Proposed Resolutions

Against the Proposed Resolutions

ISIN ISIN NO 001 0744246	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, an evidence provided from the custodian – confirming that (i) you are the owner of the bonds, (ii) in which account number the bonds are held, and (iii) the amount of bonds owned.