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**To the bondholders in:**

**ISIN NO 001078939.9 – zero per cent. Golden Close Maritime Corp. Ltd. Subordinated Convertible Bond Issue 2017/2022**

Oslo, 12 April 2018

## **SUMMONS TO BONDHOLDERS' MEETING**

Nordic Trustee AS acts as bond trustee (the “**Bond Trustee**”) for the bondholders (“**Subordinated Convertible Bondholders**”) in the above mentioned bond issue (the “**Subordinated Convertible Bond Issue**”) issued by Golden Close Maritime Corp. Ltd. (the “**Issuer**” or the “**Company**”) pursuant to the bond agreement dated 21 March 2017 (the “**Subordinated Convertible Bond Agreement**”) between the Issuer and the Bond Trustee, pursuant to which the Issuer has issued bonds in the principal amount of USD 340 million (the “**Subordinated Convertible Bonds**”).

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

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

### **1 BACKGROUND**

On 30 March 2017 the restructuring of the Company, as further described in the summons to the Bondholders' Meeting of the 9.00 per cent Golden Close Maritime Corp. Ltd. Senior Secured Callable Bond Issue (ISIN NO 001072202.8) (the “**Senior Secured Bond Issue**”) on 27 February 2017 and as approved by the Bondholders' Meeting 17 March 2017 (the “**Restructuring**”) was completed. The Restructuring inter alia included settlement of USD 340 million of the Senior Secured Bond Issue through exchange to the Subordinated Convertible Bonds.

On 22 June 2017 the general meeting of the Company resolved a reverse split of the Company's Shares at a ratio of 1 for 20 and a proportionate reduction in the number of authorized Shares. The reverse split reduced the number of the Company's Shares outstanding to 2,286,347 of par value US\$2.00. Consequently, the Conversion Price was adjusted from USD 1.00 per Share to USD 20 per Share in accordance clause 14.3 of the Subordinated Convertible Bond Agreement. The Subordinated Convertible Bondholders will, following full conversion, hold 17,000,000 Shares.

In accordance with the Subordinated Convertible Bond Agreement clause 10.1 and clause 10.2, the Subordinated Convertible Bonds will be converted to Shares at Conversion Price of USD 20 per Share at the Maturity Date and will prior to the Maturity Date upon acceleration or sale of the Drillship receive any remaining proceeds following settlement of the Super Senior Bonds, the Guarantee Obligations (if any), the Operating Cost Bonds and the Senior Secured Bonds, but ahead of any distribution to the Shares.

To increase the incentive to convert Subordinated Convertible Bonds to Shares which may provide further positive effect to the Company's balance sheet and to facilitate further liquidity in the Shares, and in line with an initiative from substantial holders of Shares and Subordinated Convertible Bonds, it is proposed that the terms of the Subordinated Convertible Bonds are amended so that the Subordinated Convertible Bonds are fully and in all respect pari passu with the Shares also upon a sale of the Drillship. To give effect to such pari passu treatment, it is also proposed that the Company is provided with a call option to settle the Subordinated Convertible Bonds by way of Shares upon a sale of the Drillship and upon mergers and de-mergers.

## **2 THE PROPOSAL**

The Issuer has resolved to propose to the Bondholders, and has requested the Bond Trustee to summon a Bondholders' Meeting to consider the approval of amendments to the Subordinated Convertible Bond Agreement so that the Subordinated Convertible Bonds are to be treated pari passu with the Shares in all respect and to provide the Issuer with an option to satisfy its obligation to redeem the Subordinated Convertible Bonds with settlement in Shares at the Conversion Price in the event of a sale of the Drillship, merger or de-merger (the "**Proposal**").

## **3 AMENDMENTS TO THE BOND AGREEMENT**

To facilitate the equal ranking between the Subordinated Convertible Bonds and the share capital of the Issuer, it is contemplated that the followings clauses in the Subordinated Convertible Bond Agreement will be changed to read as follows:

### ***Clause 8.1 Status:***

*The Bonds will constitute direct, unsecured and subordinated obligations of the Issuer ranking equally without any preference among themselves and ranking in all respect pari passu with all amounts payable in respect of the share capital of the Issuer.*

### ***Clause 10.2 Mandatory Prepayment:***

*Upon any acceleration of the Senior Secured Bonds, Super Senior Secured Bonds or Operating Costs Bonds or sale of the Drillship ("Mandatory Prepayment Event") the Issuer shall, if the Share Settlement Option in Clause 10.3 has not been exercised, apply any remaining funds following repayment of the Senior Secured Bonds, Super Senior Secured Bonds and Operating Costs Bonds (or the Performance Guarantee if applicable) towards settlement of the Bonds and the share capital of the Issuer on a pro rata basis (in accordance with the procedures of the Securities Depository).*

### ***Clause 10.3 Share Settlement Option:***

*Notwithstanding any other provisions of this clause 10, the Issuer may exercise an option to satisfy its obligation to redeem all outstanding Bonds with settlement in Shares at the Conversion Price in the event of (i) a sale of the Drillship or (ii) a merger or de-merger (the "**Share Settlement Option**").*

*To exercise its Share Settlement Option, the Issuer shall give a notice to such effect (the "**Share Settlement Option Notice**") to the Paying Agent, the Bond Trustee and to the Bondholders (in the case of the Bondholders, in writing via the Norwegian Securities*

*Depository) no later than 10 Business Days prior to the Share Settlement Option being effected.*

**Clause 11.1 Covenants to pay:**

*(a) The Issuer shall be under no covenant to make any payments to the Bondholders during the tenor of the Bonds, cf. clause 10.1, except for (i) Dividend (if any) in accordance with clause 15.4 below and (ii) fees pursuant to the Bond Trustee's Fee Agreement in clause 16.2 below.*

**Clause 15.3 General Covenants:**

*(a) Pari passu ranking*

*The Issuer shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all times, and in all respect, rank pari passu with the share capital of the Issuer as set out in clause 8.1.*

## **4 EVALUATION OF THE PROPOSAL**

### **4.1 The Issuer's evaluation**

In the Issuer's opinion, the Proposal constitutes a balanced and fair contribution from the different stakeholders. The Proposal may have positive effect on the balance sheet of the Issuer, and may further enhance the Issuer's ability to secure new contracts for the Drillship.

### **4.2 Non-reliance**

The Proposal is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly.

## **5 SUMMONS FOR BONDHOLDERS' MEETING**

Bondholders are hereby summoned to a Bondholders' Meeting:

**Time:** 26 April 2018 at 13:00 (Oslo time)

**Place:** The premises of Nordic Trustee AS,  
Haakon VII's gate 1, 0161 Oslo - 6th floor

**Agenda:**

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Request for adoption of the Proposal.

**It is proposed that the Bondholders' Meeting resolves the following:**

**Agenda item 4:**

*"The Bondholders' Meeting approves the Proposal as described in section 2 and section 3 of this summons for the Bondholders' Meeting.*

*Further, the Bondholders' Meeting authorise the Bond Trustee to take such steps on behalf of the Subordinated Convertible Bondholders as may be necessary or desirable in connection with the implementation of the Proposal, including without limitation to prepare, finalise and enter into the necessary amendment agreements and other documentation it deems appropriate in connection with documenting the decisions made by the Bondholders' Meeting according to this summons."*

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To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the Bondholders' Meeting must vote in favour of the resolution. In order to have a quorum, at least 1/2 of the Voting Bonds must be represented at the Bondholders' Meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the bondholders' meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise the Bond Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising the Bond Trustee to vote, must then be returned to the Bond Trustee in due time before the Bondholders' Meeting is scheduled (by scanned e-mail, telefax or post).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to the Bond Trustee, to notify the Bond Trustee by telephone or by e-mail (mail@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Business Day before the Bondholders' Meeting takes place.

Yours sincerely

**Nordic Trustee AS**



Lars Erik Lærum

Enclosed: Bondholder's Form