

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

To the bondholders in:

ISIN NO 001 068383.2 8.875 per cent Latina Offshore Limited Senior Secured Callable Bond
Issue 2013/2018

Oslo, 7 July 2017

Notice of a Written Bondholders' Resolution

Nordic Trustee ASA (the "**Bond Trustee**") acts as trustee for the bondholders (the "**Bondholders**") in the above mentioned bond issue (the "**Bonds**" or the "**Bond Issue**") issued by Latina Offshore Limited as issuer (the "**Company**" or the "**Issuer**").

Capitalised terms used herein shall have the meaning assigned to them in the bond agreement originally entered into on 3 July 2013, as amended on 11 October 2013 and 5 September 2016 (the "**Bond Agreement**"), unless otherwise stated.

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

The information in this notice regarding the Issuer 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 10 October 2016, the Issuer issued a notice of a Written Resolution for certain amendments to the Bond Agreement, which was subsequently approved by the Bondholders on 14 October 2016 (the "**October 2016 Written Resolution**"). On 22 February 2017, the Issuer issued a notice of a Written Resolution for certain additional amendments to the Bond Agreement, which was subsequently approved by the Bondholders on 2 March 2017 (the "**March 2017 Written Resolution**"). Concurrent with the finalisation of all amendment documents pertaining to the October 2016 Written Resolution and March 2017 Written Resolution; the Issuer has continued discussions with the 'ad hoc' committee of Bondholders with respect to certain additional amendments to the Bond Agreement.

As a result of these discussions, the Issuer is proposing an amendment to the provision related to the Cash Flow Sweep and Excess Cash Flow (both as defined and specified in the October 2016 Written Resolution) (the "**Cash Flow Sweep Amendment**"):

The Issuer proposes that it shall transfer from the monthly Excess Cash Flow to the Parent Earnings Account such amount as required for the balance on the Parent Earnings Account to be minimum USD 2,000,000 (the "**Liquidity Buffer**"), and the remaining part of the Excess Cash Flow shall be used as provided for under the Cash Flow Sweep. The Liquidity Buffer shall be used for payment of expenses incurred under the Excess Cash Flow following the calculation of the Excess Cash Flow. To implement the Cash Flow Sweep Amendment, the Issuer proposes to

amend the Cash Flow Sweep application set out in the October 2016 Written Resolution to read as follows (with all capitalised terms as defined therein):

"A cash sweep mechanism shall be included in the Bond Agreement, whereby 100% of the Excess Cash Flow calculated on a monthly basis and documented to the satisfaction of the Bond Trustee shall be utilized in the following order as soon as reasonably possible following receipt of any revenues or factoring proceeds from the Charter Contracts:

- 1. Fund the Parent Earnings Account in an amount of USD 2 million (with such funds to be applied only towards payment of expenditures in the Excess Cash Flow);*
- 2. Pay Deferred Interest Amount;*
- 3. Build-up of Retained Amount to USD 10 million;*
- 4. Pay Deferred Amortization."*

The Cash Flow Sweep Amendment should take effect from and including May 2017.

2 PROPOSED RESOLUTION

Based on the above, the Issuer hereby proposes that the Bondholders' makes the following resolution (the "**Proposed Resolution**"):

"The Cash Flow Sweep Amendment is hereby approved. The Bond Trustee is hereby authorised and instructed to prepare, approve, finalise and enter into and execute and/or agree to such documentation necessary or advisable, including appropriate amendment agreements and to take such steps as are required, in each case in the absolute discretion of the Bond Trustee, in order to give effect to the Cash Flow Sweep Amendment (including any logical or consequential amendments), such authorisations and instructions to take effect as a Written Resolution."

3 FURTHER INFORMATION

The Issuer has appointed Clarksons Platou Securities AS (the "**Advisor**") as advisor in connection with the Proposed Resolution. For further questions to the Advisor, please contact Jørn Ringheim at jr@clarksons.com or +47 22 01 63 00.

For further questions to the Bond Trustee, please contact Morten S. Bredesen at mail@nordictrustee.com or + 47 22 87 94 00.

4 EVALUATION OF THE PROPOSED RESOLUTION

The Proposed Resolution 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 any of the Bond Trustee, the Parent or the Issuer or any of their respective advisors. The Bondholders must independently evaluate whether the Proposed Resolution is acceptable and vote accordingly.

Bondholders representing more than 2/3 of the Outstanding Bonds have stated that they will vote in favour of the Proposed Resolution.

5 WRITTEN BONDHOLDERS' RESOLUTION

Bondholders are hereby provided with a voting request for a Written Resolution 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 post, courier or email to the address

indicated in the enclosed form at Schedule 1 (the “**Voting Form**”) no later than 24 July 2017 at 13.00 hours (Oslo time) (the “**Voting Deadline**”).

Notwithstanding the Voting Deadline, and subject to the provisions of Clause 16.5.6 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 16.3.5 of the Bond Agreement) at which all Bondholders entitled to attend and vote thereat were present and voting.

Yours sincerely

Nordic Trustee ASA

A handwritten signature in blue ink, appearing to read "Morten S. Bredeesen".

Morten S. Bredeesen

Enclosed:

Schedule 1: Voting Form

Written Bondholders' resolution

ISIN: NO 001 068383.2 - 8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue 2013/2018

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

- In favour** of the Proposed Resolution
- Against** the Proposed Resolution.

ISIN ISIN NO 001 0683832	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 ASA 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 ASA
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, 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.