

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

To the bondholders in:

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

Oslo, 11 June 2019

Notice of a Written Bondholders' Resolution

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

Unless otherwise stated, capitalised terms used herein shall have the meaning assigned to them in the bond agreement originally entered into on 3 July 2013, as amended (the "**Bond Agreement**").

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.

Bondholders are encouraged to read this notice in its entirety.

BACKGROUND

The Parent has experienced certain liquidity challenges resulting from the release and payment mechanics implemented in the Third Amended and Restated Bond Agreement. These liquidity challenges have also triggered the need for the Parent to implement receivables financing, where the costs of such receivables financing will be deducted and paid prior to service of debt in accordance with the Bond Agreement. To solve the Parent's liquidity challenges, and to limit application of any receivable financing (and costs) only to extraordinary situations going forward, the Company has proposed certain changes to the Bond Agreement as reflected in a draft fourth amendment and restatement agreement included as Schedule 1 (to which a draft fourth amended and restated bond agreement is attached) compared against the Third Amendment and Restatement Agreement (to which the Third Amended and Restated Bond Agreement is attached) (the "**Fourth Amendment and Restatement Agreement**"). The proposed changes also includes an extension of the Maturity Date to 15 October 2022 to facilitate increased predictability for the Company and the Bondholders going forward.

The proposed changes as further detailed in Schedule 1 (the "**Bond Agreement Amendments**") and can be summarized as follows:

-
- The Monthly Reporting Date will be changed from the 20th of each month to the first day after a calendar month to better align with the Parent's accounts payable and accounts receivables and the Parent's internal accounting principles and so that each Monthly Reporting Period will be from the first day of one month to the last day of a month prior to the Monthly Reporting Date;
 - The Interest Payment Date will similarly be changes from 3 January, 3 April, 3 July and 3 October each year to 15 January, 15 April, 15 July and 15 October each year, to provide sufficient time between the Monthly Reporting Date and the Interest Payment Date to effect the Company's payment obligations on the Interest Payment Date(s);
 - The Maturity Date will be extended to 15 October 2022 to provide additional predictability for the Company and the Bondholders going forward, and to align with the Interest Payment Date(s);
 - To facilitate the Parent's liquidity challenges, a liquidity buffer equal to 30 days of Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure, \$ 1,515,000 per Rig and \$ 3,030,000 for both Rigs will be built up and reserved in the Parent Earnings Account (the "**Liquidity Buffer**");
 - The Liquidity Buffer can be utilized to cover Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure upon receipt of insufficient income under a Charter Contract during a Monthly Reporting Period to cover such costs and may also be utilized to ensure fulfillment of the Issuer's payment obligations on the Interest Payment Date(s);
 - The definition of Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure will be adjusted to reflect that the Parent shall be entitled to request releases equal to the number of days of accrued costs/deductibles within a Monthly Reporting Period;
 - Certain changes in the application of earnings and release mechanics, including the reporting formats, will be made to reflect the changes referred to above.

Due to the immediate liquidity constraint for the Parent, the Liquidity Buffer will immediately be drawn upon approval of the summons by the Bondholders' Meeting, and the funds that would have been released on the Monthly Reporting Date 1 July 2019 (as adjusted) will be released as of the same date. Due to the immediate release in advance of 1 July 2019, no release of funds will be made or Income and Release Statement reported on 1 July 2019. The next release of funds will be made on the Monthly Reporting Date thereafter falling on 1 August 2019, where the Income and Release Statement will include the Monthly Reporting Periods of both June and July.

For the avoidance of doubt, the Company expects that it will be able to pay accrued interest on the upcoming Interest Payment Date on 15 July 2019 following implementation of the proposed changes and events described herein.

PROPOSAL

Based on the foregoing, the Issuer hereby proposes the following (the "**Proposed Resolution**"):

"The Bondholders' Meeting approves the Bond Agreement Amendments and steps as described in Clause 1. The Bond Trustee is hereby authorised to prepare, approve, finalise and enter into, execute and/or agree appropriate amendment documentation as well as any other documentation necessary or advisable in relation to the above, in each case in the absolute discretion of the Bond Trustee."

EVALUATION OF THE PROPOSED RESOLUTION

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

For further questions to the Issuer, please contact Miguel Ruiz Tapia at miguel.ruiz@cplatina.com.

For further questions to the Bond Trustee, please contact Fredrik Lundberg or Morten S. Bredesen at mail@nordictrustee.com or +47 22 87 94 00. Bondholders may also contact the legal advisors to the Bond Trustee, Peter Bugge Hjorth, and Hedda Leikvang of Advokatfirmaet Schjødt AS (+47 22 01 88 00; pehj@schjodt.no, hedda.leikvang@schjodt.no).

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 19 June 2019 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 AS



Morten S. Bredesen

Enclosed:

Schedule 1: The Fourth Amendment and Restatement Agreement

Schedule 2: Voting Form

SCHEDULE 1 – THE FOURTH AMENDMENT AND RESTATEMENT AGREEMENT

ISIN NO 001068383.2

~~THIRD~~FOURTH AMENDMENT AND RESTATEMENT AGREEMENT

dated ___ ~~March~~June 2019

to the

BOND AGREEMENT

between

Latina Offshore Limited

(Issuer)

and

Nordic Trustee AS

(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

8.875 per cent Latina Offshore Limited
Senior Secured Callable Bond Issue 2013/2018

THIS ~~THIRD~~**FOURTH** AMENDMENT AND RESTATEMENT AGREEMENT (the "Agreement") has been entered into on ~~March~~**June** 2019 by and between:

- (1) **CONSTRUCTORA Y PERFORADORA LATINA S.A. DE C.V.**, a company existing under the laws of Mexico with registration number CPL801111PS2 (the "**Parent**");
- (2) **LATINA OFFSHORE HOLDING LIMITED**, a company existing under the laws of Bermuda with registration number 48193 ("**Holdco**");
- (3) **LATINA OFFSHORE LIMITED**, a company existing under the laws of Bermuda with registration number 47772 (the "**Original Guarantor**" and the "**Issuer**");
- (4) **SANTA MARIA OFFSHORE LIMITED**, a company existing under the laws of Bermuda with registration number 47770 (the "**Rig 1 Owner**");
- (5) **LA COVADONGA LIMITED**, a company existing under the laws of Bermuda with registration number 47771 (the "**Rig 2 Owner**" and together with the Rig 1 Owner the "**Guarantors**"); and
- (6) **NORDIC TRUSTEE AS** (formerly Nordic Trustee ASA and Norsk Tillitsmann ASA), a company existing under the laws of Norway with registration number 963 342 624 (the "**Bond Trustee**").

The Issuer and the Guarantors are together referred to as the "**Obligors**".

1. BACKGROUND

- 1.1 Pursuant to a bond loan agreement originally dated 3 July 2013 and amended and restated on 11 October ~~2013 and 10 October 2017 and 2013~~, as further amended through an addendum on 5 September 2016 and as amended and restated on 10 October 2017 and 14 March 2019 (the "**Bond Agreement**") between the Issuer and the Bond Trustee on behalf of the Bondholders, the Issuer has issued a bond loan in the amount of USD 350,000,000 named "8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue 2013/2018" with ISIN NO 001068383.2 (the "**Bond Issue**").
- 1.2 Pursuant to (i) a Written Resolution dated ~~5 October 2018~~ May 2019 the Bondholders have approved certain amendments to the Bond Agreement in accordance with notice of a Written Resolution dated ~~1 October 2018~~, (ii) ~~a Written Resolution dated 27 December 2018 the Bondholders have approved certain amendments to the Bond Agreement in accordance with notice of a Written Resolution dated 19 December 2018 and~~ (iii) 17 April 2019 and (ii) a Written Resolution dated ~~6 February~~ [] 2019 the Bondholders have approved certain amendments to the Bond Agreement in accordance with notice of a Written Resolution dated ~~23 January~~ [] June 2019 (items (i) through (iii)) together referred to as the "**Written Resolutions**").
- 1.3 This Agreement, together with the amended and restated bond agreement attached as **Schedule 1** hereto (the "**Third Fourth Amended and Restated Bond Agreement**"), sets out the amendments to the Bond Agreement approved by the Bondholders.

2. DEFINITIONS AND INTERPRETATION

2.1 In this Agreement:

"**Effective Date**" means the date on which the Bond Trustee notifies the Issuer that it has received all the documents and other evidence required as conditions precedent set out in **Schedule 2** (*Conditions Precedent*) hereto, each in a form and substance satisfactory to it, unless postponed as Conditions Subsequent or waived by the Bond Trustee in its discretion.

2.2 Terms defined the ~~Third~~Fourth Amended and Restated Bond Agreement shall, unless expressly defined herein or otherwise required by the context, have the same meaning when used in this Agreement.

2.3 The provisions of clause 1.2 (*Construction*) of the ~~Third~~Fourth Amended and Restated Bond Agreement apply to this Agreement as though they were set out herein in their entirety, except that references to the ~~Third~~Fourth Amended and Restated Bond Agreement shall be construed as references to this Agreement and any other logical adjustments being made.

3. AMENDMENT AND RESTATEMENT

3.1 The parties agree that on and with effect from the Effective Date, the Bond Agreement shall be supplemented and amended and restated by this Agreement, so that it shall then be in effect in the form set out in **Schedule 1** (~~Third~~Fourth Amended and Restated Bond Agreement) hereto.

3.2 References to the Bond Agreement in the Finance Documents shall be construed as references to the Amended and Restated Bond Agreement following the Effective Date.

4. CONDITIONS PRECEDENT

4.1 The amendment and restatement of the Bond Agreement pursuant to Clause 3 (*Amendment and restatement*) is subject to the Bond Trustee having received all the documents and other evidence set out in **Schedule 2** (*Conditions precedent*) hereto in form and substance satisfactory to the Bond Trustee, unless waived by the Bond Trustee in its absolute discretion. The Bond Trustee shall notify the Issuer promptly upon being so satisfied.

4.2 If the conditions in Clause 4.1 above have not been fulfilled or waived by the Bond Trustee by ~~22-March~~[] 2019, then this Agreement shall become null and void and neither of the Parties shall have any rights against the other Party hereunder.

5. **CONDITIONS SUBSEQUENT**

If the Bond Trustee has not received all the documents and other evidence set out in Schedule 3 (Conditions subsequent) hereto in form and substance satisfactory to the Bond Trustee within [thirty] ([30]) Business Days from the date of this Agreement, or such later date as decided by the Bond Trustee in its sole discretion, such failure shall constitute an Event of Default under the Bond Agreement.

6. **5-REPRESENTATIONS**

~~4.1~~—The Issuer, Holdco, the Parent and each Obligor makes the representations and warranties as set out in Clause 7 (Representations and Warranties) of the ~~Third~~Fourth Amended and Restated Bond Agreement to the Bond Trustee and the Bondholders by reference to the facts and circumstances then existing (i) on the date of this Agreement and (ii) on the ~~Third~~-Effective Date.

7. **6-AFFIRMATION OF THE FINANCE DOCUMENTS AND THE GUARANTEES AND SECURITY**

~~5.17.1~~ The Issuer confirms that, notwithstanding the amendments effected by this Agreement, any reference in any Finance Document to the Bond Agreement shall be construed as a reference to the Bond Agreement as amended by this Agreement.

~~5.27.2~~ The Parent and the Obligors each confirms that, notwithstanding the amendments effected by this Agreement, the obligations of the Guarantors under the Guarantee or of the Parent and the Obligors (as applicable) under the Security provided by it under the Bond Agreement or other Finance Document shall continue in full force and effect and shall extend to all liabilities and the obligations of the Issuer under the ~~Third~~Fourth Amended and Restated Bond Agreement and the other Finance Documents (as applicable and subject to such limitations as set out in the Security Documents).

8. **7-AGREEMENT TO AMENDMENTS TO PROJECT DOCUMENTS**

The Bond Trustee confirms that it accepts and agrees to the amendments made to the Bareboat Charters which are subject to Security in favour of the Bond Trustee pursuant to the Assignment of Bareboat Charters.

9. **8-MISCELLANEOUS**

~~8.19.1~~ This Agreement is a Finance Document for the purpose of the Bond Agreement.

~~8.29.2~~ This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

~~8.39.3~~ The provisions of clause 18.7 (*Dispute Resolution and Legal Venue*) and other procedural provisions of clause 18 (including e.g. notice and process agent provisions) of the

~~Third~~Fourth Amended and Restated Bond Agreement shall apply mutatis mutandis to this Agreement.

* * *

SIGNATURE PAGE

FOURTH AMENDMENT AND RESTATEMENT AGREEMENT

This Agreement has been executed in two originals, of which the Issuer and the Bond Trustee retain one each.

The Issuer
Latina Offshore Limited

The Bond Trustee
Nordic Trustee AS

.....
By:
Position:

.....
By:
Position:

Parent
Constructora y Perforadora Latina S.A. de C.V.

Holdco
Latina Offshore Holding Limited

.....
By:
Position:

.....
By:
Position:

Guarantor
Santa Maria Offshore Limited

Guarantor
La Covadonga Limited

.....
By:
Position:

.....
By:
Position:

SCHEDULE 1

~~THIRD~~FOURTH AMENDED AND RESTATED BOND AGREEMENT

Execution version

**~~THIRD~~ FOURTH AMENDED AND RESTATED BOND
AGREEMENT**

between

Latina Offshore Limited
(Issuer)

and

Nordic Trustee AS
(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

8.875 per cent Latina Offshore Limited
Senior Secured Callable Bond Issue 2013/2018

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This amended and restated bond agreement (the "**Bond Agreement**") has been entered into on ~~March~~June 2019 between:

- (1) Latina Offshore Limited (a company existing under the laws of Bermuda with registration number 47772), as issuer (the "**Issuer**") and
- (2) Nordic Trustee AS (formerly Nordic Trustee ASA and Norsk Tillitsmann ASA) (a company existing under the laws of Norway with registration number 963 342 624) as bond trustee (the "**Bond Trustee**").

This Bond Agreement amends, restates and replaces in full the bond agreement entered into between the Bond Trustee and Santa Maria Offshore Limited dated 3 July 2013 (the "**Original Bond Agreement**"), the First Amended and Restated Bond Agreement (as amended by an amendment agreement dated 5 September 2016) ~~and~~ the Second Amended and Restated Bond Agreement (as amended by an amendment agreement dated 10 October 2017) and the Third Amended and Restated Bond Agreement (as amended by an amendment agreement 14 March 2019).

1 Interpretation

1.1 Definitions

In this Bond Agreement, the following terms shall have the following meanings:

"**Account Bank**" means the Paying Agent or (other) first class international bank(s) with a credit rating of at least "A" from Standard & Poor or similar level from Moody or Fitch.

"**Account Manager**" means a Bondholder's account manager in the Securities Depository.

"**Accounts**" means the Minimum Liquidity Account, the Interest Retention Account, the Rigowner Earnings Accounts, the Rigowner Subsidiary Earnings Account, the Rigowner Liquidity Accounts, the Parent Earnings Account and the Issuer Liquidity Account, and, to the extent relevant, any accounts for operating expenses or other accounts related to the operations of the Rigs held by the Parent, the Guarantors and/or the Issuer.

"**Additional Security**" means all Security provided in accordance with the provisions of Clause 8.2. "**Assignment of Bareboat Charter**" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all earnings and other rights of the relevant Rigowner under any Bareboat Charter.

"**Amendment Agreements**" means the First, Second, Third, and Fourth Amended and Restated Bond Agreements, and the respective and associated **Amendment and Restatement Agreements.**

"Assignment of Charter Contract" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all other rights than earnings of the Parent, the relevant Rigowner or Rigowner Subsidiary (as the case may be) under any Charter Contract.

"Assignment of Earnings" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all earnings and monies due in respect of any of the Rigs and the operation thereof and services rendered in relation thereto which are payable to the Parent, the relevant Rigowner or Rigowner Subsidiary (as the case may be), including any such earnings deriving from any Charter Contract.

"Assignment of Insurances" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all claims in respect of policies and contracts of insurance in relation to each of the Rigs (other than third party liability insurances).

"Assignment of Intercompany Loans" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Issuer under the Intercompany Loans.

"Assignment of Operational Management Agreements" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all earnings and other rights of the Parent under the Operational Management Agreements, excluding any earnings and other rights of the Parent under the Operational Management Agreement after completion of any enforcement and acceleration of the bonds in accordance with this bond agreement resulting in the Parent no longer having direct or indirect ownership over the shares of the Issuer or the Rigowner.

"Assignment of SG&A Agreements" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all earnings and other rights of the Parent under the SG&A Agreements, excluding any earnings and other rights of the Parent under the SG&A Agreement accrued after completion of any enforcement and acceleration of the bonds in accordance with this bond agreement resulting in the Parent no longer having direct or indirect ownership over the shares of the Issuer or the Rigowner.

"Assignment of Subordinated Loans" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Parent, Holdco, the Issuer and any of the Guarantors (as the case may be) under any Subordinated Loan.

"Attachments" means the attachments to this Bond Agreement.

"Bareboat Charter" means any bareboat charter entered into between the Parent or (as the case may be) a Rigowner Subsidiary as charterer and any of the Rigowners as owner with respect to any of the Rigs from time to time.

"Bareboat Rate" means the rate of hire under a Charter Contract less the Operating Expenses, SG&A Costs, Capital Expenditure, Withholding Tax ~~and~~ cost of ~~Receivable~~ Receivables Financing, Implementation Costs, plus any Bareboat Rate Adjustment (if applicable).

"**Bareboat Rate Adjustment**" means an increase of the Bareboat Rate by an amount equal to the increase of the day rate under the applicable Charter Contract (in aggregate, in one or more contract adjustments, if any) exceeding USD 3,000 per Rig per day.

"**Bondholder**" means a holder of Bond(s), as registered in the Securities Depository, from time to time.

"**Bondholders' Meeting**" means a meeting of Bondholders, as set out in Clause 16.

"**Bond Issue**" means the Original Bond Issue and the Tap Issue.

"**Bonds**" means the debt instruments originally issued by the Rig 1 Owner in the Original Bond Issue (as later assumed by the Issuer) and the Issuer in the Tap Issue, all regulated exclusively under this Bond Agreement and the other Finance Documents.

"**Budget**" means an overview to be delivered by the Issuer to the Bond Trustee quarterly including the estimated income under the Charter Contracts, Operating Expenses, SG&A Costs, Capital Expenditures, taxes (paid or accrued) ~~and~~ cost of Receivables Financing (if applicable), Implementation Costs, and the Bareboat Rate pursuant to Clause 13.1 (*Information Covenants*).

"**Business Day**" means any day on which Norwegian and New York banks are open for general business, and when Norwegian and New York banks can settle foreign currency transactions and the Norwegian Central Bank's Settlement System is open.

"**Business Day Convention**" means that no adjustment will be made, notwithstanding that the period end date occurs on a day that is not a Business Day, and if such date is not a Business Day, payments of interest will be made on the first following day that is a Business Day (*No Adjustments of Business Day*).

"**Call Option**" shall have the meaning set out in Clause 10.2.

"**Capital Expenditures**" means an amount reserved for capital expenditures not exceeding USD 5,500 per Rig per day.

"**Change of Control Event**" means if any person or group (i) other than the Parent, becomes the owner, directly or indirectly, of 50% or more of the outstanding shares and/or voting rights of Holdco, or (ii) other than members of the Del Valle family, becomes the owner, directly or indirectly, of 50% or more of the outstanding shares and/or voting rights of the Parent.

"**Charter Contract**" means any charter contract entered into by the Parent, any of the Rigowners or a Rigowner Subsidiary (as the case may be) towards clients for employment of any of the Rigs from time to time, including the Rig 1 Pemex Contract and the Rig 2 Pemex Contract, whereby the daily rate under a charter contract shall not in any event be lower than the current daily rate of USD ~~102,000~~ 100,000 per Rig per day under the Rig 1 Pemex Contract and Rig 2 Pemex Contract, unless approved by a majority of bondholders.

"Decisive Influence" means a person having, as a result of an agreement or through the ownership of shares or interests in another person:

- (i) a majority of the voting rights in that other person; or
- (ii) a right to elect or remove a majority of the members of the board of directors of that other person.

When determining the relevant person's number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by the parent company of the relevant person and the parent company's Subsidiaries shall be included.

"Deductible Bareboat Rate" means any income received under a Charter Contract, less Deductible SG&A Cost, Deductible Operating Expenses, Deductible Capital Expenditure, Deductible Withholding Tax ~~—and,~~ Deductible Cost of ~~Reeeivable~~Receivables Financing, Implementation Costs, and Liquidity Buffer Drawn, for the purpose of the application of earnings in accordance with Clause 13.5.1.

"Deductible SG&A Costs" means the SG&A Costs and, to the extent applicable, any SG&A Costs previously not paid in accordance with Clause 13.5.1 and deferred, calculated and ~~based on~~limited by the revenues available and received under a Charter Contract and the Liquidity Buffer for the purpose of the application of earnings in accordance with Clause 13.5.1.

"Deductible Operating Expenses" means the Operating Expenses and, to the extent applicable, any Operating Expenses previously not paid in accordance with Clause 13.5.1 and deferred, ~~calculated and based on~~limited by the revenues available and received under a Charter Contract and the Liquidity Buffer for the purpose of application of earnings in accordance with Clause 13.5.1.

"Deductible Withholding Tax" means for the purpose of the Parent, a Rigowner or a Rigowner Subsidiary any documented Withholding Tax applicable upon transfers from the Parent, a Rigowner or a Rigowner Subsidiary in accordance with Clause 13.5.1 or Clause 13.5.2 (such Withholding Tax not to exceed 4.9%) and for the purpose of the Issuer any Withholding Tax to the extent applicable for the Issuer upon interest payment or instalments.

"Deductible Cost of ~~Reeeivable~~Receivables Financing" means any documented and paid cost of ~~Reeeivable~~Receivables Financing paid, and, to the extent applicable, any Deductible Cost of ~~Reeeivable~~Receivables Financing not previously paid in accordance with Clause 13.5.1 or 13.5.2 and deferred.

"Deductible Capital Expenditure" means the Capital Expenditure, and, to the extent applicable, any Capital Expenditure previously not paid in accordance with Clause 13.5.1 or Clause 13.5.2 and deferred, ~~calculated and based on~~limited by the revenues available and received under a Charter Contract and the Liquidity Buffer for the purpose of the application of earnings in accordance with Clause 13.5.1 or Clause 13.5.2.

"Deductible Operational Management Agreement Fee" means the Operational Management Fee, and, to the extent applicable, any Deductible Operational Management Agreement Fee previously not paid in accordance with Clause 13.5.2 and deferred, ~~calculated based on~~ limited by the income received and available under a Charter Contract and the Liquidity Buffer for the purpose of the applications of earnings in accordance with Clause 13.5.2.

"Deductible SG&A Agreement Fee" means the SG&A Agreement Fee and, to the extent applicable, any Deductible SG&A Agreement Fee, previously not paid in accordance with Clause 13.5.2 and deferred, ~~calculated and based on~~ limited by the income received and available under a Charter Contract and the Liquidity Buffer for the purpose of the applications of earnings in accordance with Clause 13.5.2.

"Defeasance Pledge" shall have the meaning given to it in Clause 18.2.

"Deferred Interest Amount" means any interest not paid when due and deferred upon requisite approval by the Bondholders' Meeting (if applicable).

"Equity" means the aggregate amount which would in accordance with IFRS be shown in the Issuer's consolidated Financial Statements as the shareholders' equity, for the avoidance of doubt to include the outstanding amount of Subordinated Loans.

"Equity Ratio" means Equity to Total Assets.

"Exchange" means (i) a securities exchange or other reputable regulated market, or (ii) the Luxembourg Stock Exchange, the Euro MTF Market or such other internationally recognized stock exchanged approved by the Bond Trustee, on which the Bonds are listed, or where the Issuer has applied for listing of the Bonds.

"Event of Default" means the occurrence of an event or circumstance specified in Clause 15.1.

"Face Value" means the denomination of each of the Bonds, as set out in Clause 2.2.

"Finance Documents" means

- (i) this Bond Agreement;
- (ii) the agreement between the Bond Trustee and the Issuer referred to in Clause 14.2;
- (iii) the Security Documents (including any notice, acknowledgement and other ancillary documentation relating thereto);
- (iv) the Parent Undertaking;
- (v) the Holdco Undertaking;
- (vi) any document executed in relation to the granting of any Security to the Bond Trustee under the Finance Documents;

- (vii) any other document (whether creating a Security or not) which is executed at any time by the Issuer or any other person in relation to any amount payable under this Bond Agreement; and
- (viii) any other document (whether creating a Security or not) designated as a Finance Document.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (i) moneys borrowed (including acceptance credit and any overdraft facility);
- (ii) any bond, note, debenture, loan stock or other similar instrument;
- (iii) the amount of any liability in respect of any lease, hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease;
- (iv) receivables sold or discounted (other than any receivables sold on a non-recourse basis and/or the Receivables Financing);
- (v) any sale and lease-back transaction, or similar transaction which is treated as indebtedness under IFRS;
- (vi) any liability under a deferred purchase agreement where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price, including without limitation currency or interest rate swaps, caps or collar transactions (and, when calculating the value of the transaction, only the marked-to-market value shall be taken into account);
- (viii) any amounts raised under any other transactions having the commercial effect of a borrowing or raising of money, (including any forward sale or purchase agreement);
- (ix) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of any underlying liability; and (without double counting) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any of the items referred to above.

"Financial Statements" means the audited consolidated and unconsolidated financial statements of the Issuer and the unconsolidated annual financial statements of each of the Guarantors for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and report from (as applicable) the Issuer's and the Guarantors' board of directors, provided always that such preparation and publication of reports is in accordance with applicable rules and regulations.

"First Amended and Restated Bond Agreement" means the amended and restated bond agreement for the Bond Issued dated 11 October 2013.

"Floating Charges" means the first priority floating charges creating Security over all relevant assets, rights (including intellectual property rights) and revenues of each of the Issuer and the Guarantors from time to time and **"Floating Charge"** means any one of them.

"GAAP" means the generally accepted accounting practice and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

"Guarantees" means the on demand guarantees (in Norwegian: *påkravsgaranti*) granted by each of the Guarantors, also including *inter alia* relevant representations and warranties, the Guarantor special covenants as set out in Clause 13.7 and certain event of default provisions and **"Guarantee"** means any one of them.

"Guarantors" means the Rig 1 Owner and the Rig 2 Owner and **"Guarantor"** means any one of them.

"Holdco" means Latina Offshore Holding Limited, a company existing under the laws of Bermuda with registration number 48193, being the legal and beneficial owner of 100 % of the outstanding shares in the Issuer.

"Holdco Undertaking" means an undertaking from Holdco dated on or about the date of the Bond Agreement including *inter alia* subordination statements for any claims due to Holdco from the Issuer or any Guarantor under any Subordinated Loans, relevant representations and warranties, the Holdco special covenants as set out in Clause 13.9 and certain events of default provisions.

"IFRS" means International Financial Reporting Standards, and guidelines and interpretations issued thereto by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

"Implementation Costs" means any professional fees and expenses related to the Amendment Agreements.

"Income and Release Statement" means an overview of income received and releases requested to be provided by the Issuer to the Bond Trustee on each Monthly Reporting Date together with a Release Request, in accordance with Clause 13.1 (*Information Covenants*), in the form included as Schedule 2 and to be posted on Stamdata.no each month.

"Interest Retention Account" means an account in the name of the Issuer, into which the Issuer shall deposit certain funds for use of payment of interest and instalments under the Bonds, such account to be pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents.

"Interest Retention Account Pledge" means the first priority pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Interest Retention Account, where the bank operating the account

has waived any set-off rights where the bank operating the account has waived any set-off rights.

"Interest Payment Date" means 315 January, 315 April, 315 July, 315 October each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.

"Intercompany Loan Repayments" means ~~an amount equal to the amount which is applied in~~ the amounts transferred by the Rigowner, or by the Parent on behalf of the Rigowner, to the Issuer to be applied as repayment of the ~~applicable~~ Intercompany Loan ~~upon transfer by the Parent~~ in accordance with the application of earnings in Clause 13.5.1 ~~and by a Rigowner in accordance with Clause 13.5.2 to the Interest Retention Account and the Minimum Liquidity Account, and an amount equal to any other payments by the Rigowner to the Issuer. or Clause 13.5.2.~~

"Intercompany Loans" means debt established against each of the Rigowners as a result of (i) the forwarding of proceeds from the Tap Issue by the Issuer to the Rig 2 Owner and (ii) the assumption by the Issuer of the obligations of Rig 1 Owner under the Original Bond Issue, on such terms and conditions as acceptable to the Bond Trustee, and which shall be serviced in accordance with the Application of Earnings provisions herein.

"Interim Accounts" means the unaudited consolidated and unaudited financial statements of the Issuer and the unaudited unaudited consolidated statements of each of the Guarantors for any quarter ending on a Quarter Date, drawn up according to GAAP, such accounts to be prepared in accordance with IFRS and include a profit and loss account, balance sheet, cash flow statement and management commentary or report from the Issuer's and the Guarantors' board of directors, provided always that such preparation and publication of reports is in accordance with applicable rules and regulations.

"ISIN" means International Securities Identification Number – the identification number of the Bond Issue.

"Issuer Account Pledges" means the Interest Retention Account Pledge, the Issuer Liquidity Account Pledge, the Minimum Liquidity Account Pledge, and any other pledge on first priority over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in any other bank accounts from time to time.

"Issuer's Bonds" means any Bonds owned by the Issuer, any person or persons who has Decisive Influence over the Issuer, or any person or persons over whom the Issuer has Decisive Influence.

"Issuer Liquidity Account" means an account in the name of the Issuer, such account to be pledged (but not blocked, save in case of an Event of Default) on first priority as Security for the Issuer's obligations under the Finance Documents.

"Issuer Liquidity Account Pledge" means the first priority pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the

Issuer in the Issuer Liquidity Account, where the bank operating the Issuer Liquidity Account has waived any set-off rights.

"Issuer Share Charge" means a first priority charge by Holdco over all outstanding shares and related rights in the Issuer from time to time.

"Liquidity Buffer" means an amount equal to 30 days of Operating Expenses, SG&A Costs and Capital Expenditure, USD 1,515,000 in total per Rig and USD 3,030,000 for both Rigs (the "Original Liquidity Buffer Amount") less any Liquidity Buffer Drawn from time to time, which

- (i) upon a Charter Contract with the Parent shall be retained in the Parent Earnings Account to be utilized for the purpose of (a) releases in accordance with Clause 13.5.1(i) to cover Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure to the extent that income received under a Charter Contract during a Monthly Reporting Period (including any Receivables Financing received if applicable) is insufficient to cover such deductible costs and (b) any deficit between the Deductible Bareboat Rate received and released to the Interest Retention Account and the Issuer's payment obligations on the Interest Payment Date(s); and;
- (ii) upon a Charter Contract with a Rigowner, shall be retained at the Rigowner Earnings Account to be utilized for the purpose of (a) releases in accordance with Clause 13.5.2(i) to cover the Deductible Operational Management Agreement Fee and the Deductible SG&A Agreement Fee to the extent that income received under a Charter Contract during a Monthly Reporting Period (including any Receivables Financing received if applicable) is insufficient to cover such costs and (b) any deficit between the transfers made pursuant to Clause 13.5.2(ii) to the Interest Retention Account and the Issuer's payment obligations on the Interest Payment Date(s).

"Liquidity Buffer Drawn" means the amount less than the Liquidity Buffer amount (if applicable), where such drawn amount shall be covered and retained in the Parent Earnings Account (or the Rigowner Earnings Account) to build up to the Liquidity Buffer amount, prior to release of any Deductible Bareboat Rate.

"Mandatory Prepayment Event" means the occurrence of any of the following events:

- (i) any of the Rigs are sold,
- (ii) if the Bonds are not listed by 15 March 2019 as required by Clause 3,
- (iii) the Issuer ceases to be the direct owner of 100% of the shares in any of the Guarantors, and
- (iv) Holdco ceases to be the direct owner of 100% of the shares in the Issuer.

"Material Adverse Effect" means a material adverse effect on: (a) the financial condition or operations of the Issuer or any of the Guarantors, (b) any Obligor or the

Parent's ability to perform and comply with its obligations under any of the Finance Documents; or (c) the validity or enforceability of any of the Finance Documents.

"Maturity Date" means ~~315~~ October ~~2019-2022~~. Any adjustment will be made according to the Business Day Convention.

"Mexican Trust" means a Mexican law trust arrangement with Deutsche Bank or another first class international bank with a credit rating of at least 'A' from Standard & Poor or similar level from Moody or Fitch (the **"Mexican Trustee"**) for (to the extent necessary) perfection of Security Documents and securing the application of earnings under the Charter Contracts.

"Minimum Liquidity Account" means an account in the name of the Issuer, pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents.

"Minimum Liquidity Account Pledge" means the first priority pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Minimum Liquidity Account, where the bank operating the account has waived any set-off rights.

"Monthly Reporting Date" means the ~~20th~~first day of each month for reporting of the Monthly Reporting Period.

"Monthly Reporting Period" means the period between the first day of the previous month to the last day of the previous month on the Monthly Reporting Date.

"Mortgages" means the Panamanian ship mortgages over the Rigs on first priority and **"Mortgage"** means any one of them.

"NOK" means Norwegian kroner, being the legal currency of Norway.

"Obligor" means the Issuer and the Guarantors, or any of them.

"Offering Memorandum" means the offering memorandums prepared for the marketing of the Bonds, dated 10 June 2013 with respect to the Original Bond Agreement and 18 September 2013 with respect to the Tap Issue.

"One Rig Prepayment Event" means a Mandatory Prepayment Event relating to only one of the Rigs or Guarantors, i.e. relevant for section (i), (ii) and (iii) under the definition of Mandatory Prepayment Event above.

"Operational Management" means all marketing, operation, crewing, supplying, technical management and any other required management services under the relevant Charter Contract.

"Operational Management Agreement" means the agreement entered into by and between the Parent, the Rigowners and the Rigowner Subsidiary pursuant to Clause 8.2.1 for the provision of Operational Management by the Parent in respect of a Rig which shall become effective upon request by the Rigowner or Rigowner Subsidiary (or as the case may be) the Bond Trustee upon the Parent ceasing to be a party to a Charter Contract.

"Operational Management Agreement Fee" means the fee payable to the Parent under the Operational Management Agreement not in any event exceeding the Operating Expenses.

"Operating Expenses" means all costs for the provision of Operational Management, which shall in no event exceed USD 30,000 per Rig per day.

"Original Bond Issue" means the issue of Bonds in the amount of USD 175,000,000 on the Original Issue Date by the Rig 1 Owner at a price of 100% of par value.

"Original Finance Documents" means the Original Bond Agreement, security documents and other finance documents relevant to the Original Bond Issue (which has not expired or terminated in accordance with their own terms or as agreed with the Bond Trustee).

"Original Issue Date" means 3 July 2013.

"Outstanding Bonds" means the Bonds not redeemed or otherwise discharged.

"Parent" means Constructora y Perforadora Latina S.A. de C.V., a company existing under the laws of Mexico with registration number CPL801111PS2, as at the Tap Issue Date being the direct legal and beneficial owner of 100% of the outstanding shares in Holdco and indirectly legal and beneficial owner of 100% of the outstanding shares in the Issuer and the Guarantors.

"Parent Earnings Account" means an account in the name of the Parent to be pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents, into which the Parent shall receive any revenue under the Charter Contracts to which it is a party and any proceeds from any Receivables Financing and other earnings relating to the Rigs payable to the Parent, including any such payment or revenue received from the Mexican Trustee under the Mexican Trust.

"Parent Earnings Account Pledge" means the first priority pledge over the Parent's claim against the bank for the amount from time to time standing to the credit of the Parent in the Parent Earnings Account.

"Parent Operating Expense Account" means an operating account nominated by the Parent for receipt of the funds set forth in Clause 13.5.1(i) and Clause 13.5.2(i).

"Parent Undertaking" means an undertaking from the Parent dated on or about the date of the Original Bond Agreement including *inter alia* subordination statements for any claims due to the Parent from the Issuer or any Guarantor under any Operational Management Agreement, the SG&A Agreement and any Subordinated Loans, relevant representations and warranties, the Parent special covenants as set out in Clause 13.8 and certain events of default provisions.

"Party" means a party to this Bond Agreement (including its successors and permitted transferees).

"**Paying Agent**" means DNB Bank ASA, appointed by the Issuer to acts as its paying agent in the Securities Registry with respect to the Bonds.

"**Pemex**" means PEMEX Exploración y Producción.

"**Permitted Pemex Amendments**" means any amendments to the Charter Contracts which have a positive effect on the cash flow generated under the Charter Contract by increasing the charter hire payable, extending the term of the Charter Contract or otherwise (such amendments being allowed notwithstanding anything to the contrary in any Finance Document) provided that the Bond Trustee has consented to any such amendments.

"**Pre-Drilling Security**" means:

- (i) the Assignment of Bareboat Charters;
- (ii) the Assignment of Earnings;
- (iii) the Assignment of Charter Contracts; and
- (iv) the Assignment(s) of Operational Management Agreements.

"**Project Documents**" means the Operational Management Agreements (or any substitution thereof), the Charter Contract(s) and the Bareboat Charter(s).

"**QEL**" means a quiet enjoyment letter issued by the Bond Trustee if required by a client under any Charter Contract, with a wording as reasonably requested by such third party client and providing for e.g. (i) the Bond Trustee to be notified by the relevant client of any default under a Charter Contract by the Parent, a Guarantor or a Guarantor Subsidiary (as the case may be) and to be capable of remedying a default within 10 days and (ii) the Bond Trustee to be entitled to nominate a reputable drilling operator with financial strength and technical capability satisfactory to the relevant client to step into the relevant Charter Contract and (iii) as a condition that all amounts due and payable under the relevant Charter Contract are duly made pursuant to the terms thereof (or as otherwise instructed by the Bond Trustee after an Event of Default).

"**Quarter Date**" means each 31 March, 30 June, 30 September and 31 December.

"**Receivables Financing**" means any transaction or series of transactions that may be entered into in connection with the Charter Contracts on market terms by the Parent, a Rigowner or a Rigowner Subsidiary on the one hand and a reputable international or local bank or similar financial institutions reasonably acceptable to the Bond Trustee on the other hand and only to be used in extraordinary circumstances and provided no funds are available under the Liquidity Buffer, and pursuant to which either (a) any such company may sell, convey or otherwise transfer any accounts receivable (whether now existing or arising in the future) and any assets related thereto, including, without limitation, all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily

granted in connection with asset securitisation transactions involving accounts receivable (collectively, "**Receivables Collateral**") or (b) any such company shall enter into a nonrecourse loan arrangement, secured solely by the Receivables Collateral.

"Release Request" means a request delivered by the Parent, the Issuer a Rigowner or a Rigowner Subsidiary to the Account Bank with copy to the Bond Trustee in the form set out in Attachment 3.

"Retained Amount" shall have the meaning give to it in Clause 13.6.1.

"Rig 1" means the offshore jack-up Keppel FELS Mod V-B drilling rig named La Santa Maria, constructed at the Yard and registered in the Panamanian Ship Registry and with international call sign 3FNV4 and delivered to the Rig 1 Owner on 31 July 2013.

"Rig 1 Owner" means Santa Maria Offshore Limited, a company existing under the laws of Bermuda with registration number 47770.

"Rig 1 Pemex Contract" means the service contract with contract number 421003910 for the utilization of Rig 1, executed on 12 December 2013, as amended on 4 August 2015, 26 October 2015, 15 August 2016, 11 August 2017 and 25 May 2018 between Pemex and the Parent.

"Rig 2" means the offshore jack-up Keppel FELS Mod V-B drilling rig identified as Hull No. B338 with the Yard named "La Covadonga" and delivered to the Rig 2 Owner on 28 November 2013.

"Rig 2 Owner" means La Covadonga Limited, a company existing under the laws of Bermuda with registration number 47771.

"Rig 2 Pemex Contract" means the service contract with contract number 421003912 for the utilization of Rig 2, executed on 12 December 2013, as amended on 4 August 2015, 26 October 2015, 15 August 2016, 9 August 2017 and 25 May 2018 between Pemex and the Parent.

"Rigowner Earnings Accounts" means the accounts in the name of the respective Rigowner, pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents, into which the relevant Rigowner shall receive any revenue under the Charter Contracts to which it is a party and any proceeds from any Receivables Financing and other earnings relating to Rig 1 or Rig 2 (as the case may be) payable to the relevant Rigowner, including any such payment or revenue received from the Mexican Trustee under the Mexican Trust and **"Rigowner Earnings Account"** means any one of them.

"Rigowner Earnings Account Pledge" means the first priority pledge over the relevant Rigowner's claim against the bank for the amount from time to time standing to the credit of said Rigowner in the relevant Rigowner Earnings Account, where the bank operating the account has waived any set-off rights.

"Rigowner Liquidity Accounts" means an account in the name of the Rigowner, such account to be pledged (but not blocked, save in case of an Event of Default) on first priority as Security for the Issuer's obligations under the Finance Documents.

"Rigowner Liquidity Account Pledge" means the first priority pledge over the relevant Rigowner's claim against the bank for the amount from time to time standing to the credit of said Rigowner in the relevant Rigowner Liquidity Account, where the bank operating the Rigowner Liquidity Account has waived any set-off rights.

"Rigowner Share Charges" means a first priority charge by the Issuer over all outstanding shares and related rights in each of the Rigowners from time to time and **"Rigowner Share Charge"** means any one of them.

"Rigowner Subsidiary" means a wholly owned subsidiary of any of the Rigowners incorporated to enter into a Charter Contract related to any of the Rigs.

"Rigowners" means the Rig 1 Owner and Rig 2 Owner together and **"Rigowner"** means any one of them.

"Rigs" means Rig 1 and Rig 2 (either of them a **"Rig"**).

"Securities Depository" means the securities depository in which the Bond Issue is registered, being Verdipapirsentralen ASA (VPS) in Norway.

"Security" means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Agent" means the Bond Trustee in its capacity as Security agent and/or Security trustee pursuant to Clause 17.4.

"Security and Covenant Defeasance" shall have the meaning given to it in Clause 18.2.

"Security Documents" means, collectively, all the documents evidencing, creating or granting the Security Interests.

"Security Interests" means:

- (i) the Mortgages;
- (ii) the Assignments of Insurances;
- (iii) the Issuer Share Charge;
- (iv) the Rigowner Share Charges;
- (v) the Floating Charges;
- (vi) the Issuer Account Pledges;
- (vii) the Parent Earnings Account Pledge;

- (viii) the Rigowner Earnings Account Pledges;
- (ix) the Rigowner Liquidity Account Pledges;
- (x) the Assignment(s) of SG&A Agreements;
- (xi) the Assignment(s) of Subordinated Loans;
- (xii) the Assignment(s) of Intercompany Loans;
- (xiii) the Guarantees;
- (xiv) the Pre-Drilling Security; and
- (i) any Additional Security (if relevant).

"**SG&A**" means all commercial management, sales, general and administrative services for the Issuer, the Rigowners, the Rigowner Subsidiaries and the Parent.

"**SG&A Agreement**" means the agreement entered into by and between the Parent, the Issuer, the Rigowners and the Rigowner Subsidiaries for SG&A to be performed by the Parent.

"**SG&A Agreement Fee**" means a fee payable to the Parent under the SG&A Agreement on market terms but with fees payable in any event not exceeding the SG&A Costs.

"**SG&A Costs**" means all costs for commercial management, general and administrative services for the Issuer, the Rigowners, the Rigowner Subsidiaries and the Parent, in no event exceeding USD 12,000 per Rig per day plus any SG&A Cost Adjustment (if applicable).

"**SG&A Cost Adjustment**" means an increase of the SG&A Costs per day, by an amount equal to the increase of a day rate under the applicable Charter Contract (in aggregate, in one or more contract adjustments, if any) up to a maximum amount of USD 3,000 per Rig per day.

"**Stamdata**" means the web site www.stamdata.no, maintained by the Bond Trustee.

"**Subordinated Loans**" means any loan or credit that (i) the Parent and/or Holdco may provide to the Issuer and/or the Guarantors from time to time and (ii) the Issuer and/or the Guarantors may provide to the Issuer and/or the Guarantors from time to time.

"**Subordinated Loan Agreement**" means an agreement documenting a Subordinated Loan.

"**Subsidiary**" means a company over which another company or person has Decisive Influence.

"**Tap Issue**" means the issue of new Bonds in the amount of USD 175,000,000 on the Tap Issue Date as an increase and amendment of the Original Bond Issue, such

new Bonds being issued at a price of 103.50% of par value giving gross proceeds of USD 181,125,000.

"**Tap Issue Date**" means 11 October 2013.

"**Total Assets**" means the aggregate amount which would in accordance with IFRS be shown in the consolidated Financial Statements as the Issuer's total assets.

"**Total Loss Event**" means an actual, constructive, compromised, agreed, arranged or other total loss of any of the Rigs as defined under the Nordic Marine Insurance Plan of 2013 (as amended from time to time).

"**US Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**USD**" means US Dollars, being the legal currency of the United States of America.

"**Voting Bonds**" means the Outstanding Bonds less the Issuer's Bonds.

"**Yard**" means Keppel FELS in Singapore.

"**Withholding Tax**" means for the purpose of the Parent, a Rigowner or a Rigowner Subsidiary any documented Withholding Tax applicable upon transfers from the Parent, a Rigowner or a Rigowner Subsidiary in accordance with Clause 13.5.1 or Clause 13.5.2 and for the purpose of the Issuer any Withholding Tax to the extent applicable for the Issuer upon interest payment or instalments documented to be payable by the respective party.

"**Written Resolution**" means the written or electronic procedure for decision making among Bondholders in accordance with Clause 16.5 (*Written Resolutions*).

1.2 Construction

In this Bond Agreement, unless the context otherwise requires:

- (i) headings are for ease of reference only;
- (ii) words denoting the singular number shall include the plural and vice versa;
- (iii) references to Clauses are references to the Clauses of this Bond Agreement;
- (iv) references to a time is a reference to Oslo time unless otherwise stated herein;
- (v) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings, judgments and other binding decisions relating to such provision or regulation;
- (vi) an Event of Default is "continuing" if it has not been remedied or waived; and

- (vii) references to a "person" shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

2 The Bonds

2.1 Binding nature of this Bond Agreement

2.1.1 By virtue of being registered as a Bondholder (directly or indirectly) with the Securities Depository, the Bondholders are bound by the terms of this Bond Agreement and any other Finance Document, without any further action required to be taken or formalities to be complied with, see also Clause 18.1.

2.1.2 This Bond Agreement is available to anyone and may be obtained from the Bond Trustee or the Issuer. The Issuer shall ensure that this Bond Agreement is available to the general public throughout the entire term of the Bonds. This Bond Agreement may be published on Stamdata or such other venues as decided by the Bond Trustee.

2.2 The Bonds

Pursuant to the Original Bond Agreement, as amended as the First Amended and Restated Bond Agreement, the Issuer has issued a series of Bonds in the maximum amount of USD 350,000,000 (U.S. Dollar three hundred and fifty million) for the purposes set out in the Original Bond Agreement and the First Amended and Restated Bond Agreement.

The Face Value is USD 1. The Bonds shall rank *pari passu* between themselves.

The Bonds are described as "8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue 2013/2018".

The ISIN of the Bonds will be NO 001068383.2.

The tenor of the Bonds is from and including the Original Issue Date to the Maturity Date.

3 Listing

3.1 The Bonds shall on or before 15 March 2019 be listed on the Luxembourg Stock Exchange, the Euro MTF Market or such other internationally recognized stock exchanged approved by the Bond Trustee.

3.2 The Issuer shall on or before 15 March 2019 ensure that the Bonds remain listed until they have been discharged in full.

4 **Registration in the Securities Depository**

4.1 The Bonds shall be registered in the Securities Depository according to the Norwegian Securities Depository Act (Act 2002/64) and the terms and conditions of the Securities Depository.

4.2 The Issuer shall ensure that correct registration in the Securities Depository is made and shall notify the Securities Depository of any changes in the terms and conditions of this Bond Agreement. The Bond Trustee shall receive a copy of the notification. The registration may be executed by the Paying Agent.

4.3 The Bonds have not been registered under the US Securities Act, and the Issuer is under no obligation to arrange for registration of the Bonds under the US Securities Act.

5 **Purchase and transfer of Bonds**

5.1 Subject to the restrictions set forth in this Clause 5, the Bonds are freely transferable and may be pledged.

5.2 Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with applicable local laws and regulations at its own cost and expense.

5.3 The Bonds are being offered only (i) to non-“U.S. persons” in “offshore transactions” within the meaning of Rule 902 under the U.S. Securities Act of 1933, as amended (“**Securities Act**”) and (ii) to “qualified institutional buyers” (“**QIBs**”) within the meaning of Rule 144A under the Securities Act in a transaction exempt from the registration requirements under the Securities Act. In addition to the application form that each investor will be required to execute, each U.S. investor that wishes to purchase Bonds will be required to execute and deliver to the Issuer a certification in a form to be provided by the Issuer stating, among other things, that the investor is a QIB.

5.4 The Bonds will not be offered to and may not be purchased by any investor save for in accordance with the abovementioned exemptions within the United States or appropriate exemptions under the laws of any other jurisdictions.

5.5 The Bonds may not be purchased by, or for the benefit of, persons resident in Canada. See further details and description of applicable subscription and transfer restrictions in the Offering Memorandum and the Application Form. Failure by investors to comply with these restrictions may constitute a violation of applicable securities legislation.

5.6 For the avoidance of doubt and notwithstanding the above, a Bondholder which has purchased the Bonds in breach of this Clause 5 or other applicable mandatory restrictions may

nevertheless utilise its rights (including, but not limited to, voting rights) under this Bond Agreement.

6 **Conditions precedent**

Disbursement of the net proceeds of the Original Bond Issue and Tap Issue respectively was subject to the Bond Trustee (on behalf of the Bondholders) having received the documents set forth in the Original Bond Agreement and the First Amended and Restated Bond Agreement in form and substance satisfactory to it at least two Business Days prior to the Original Issue Date and Tap Issue Date, respectively.

7 **Representations and Warranties**

7.1 The Issuer represents and warrants to the Bond Trustee and the Bondholders that:

7.1.1 Status

Each of the Obligors is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.1.2 Power and authority

Each of the Obligors has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Bond Agreement and any other Finance Document (and Original Finance Document as the case may be) to which it is a party and the transactions contemplated by those Finance Documents (and Original Finance Document as the case may be).

7.1.3 Valid, binding and enforceable obligations

This Bond Agreement and each other Finance Document (and Original Finance Document as the case may be) to which any of the Obligors is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.1.4 Non-conflict with other obligations

The entry into and performance by each of the Obligors of this Bond Agreement and any other Finance Document (and Original Finance Document as the case may be) to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any applicable law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.1.5 No Event of Default

- (i) No Event of Default exists or is likely to result from the entry into or performance of any transaction contemplated by, any Finance Document (and Original Finance Document as the case may be).
- (ii) No other event or circumstance is outstanding which constitutes (or with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on any of the Obligor which has or is likely to have a Material Adverse Effect.

7.1.6 Authorisations and consents

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarisations or registrations required:

- (i) to enable any of the Obligor to enter into, exercise its rights and comply with its obligations under this Bond Agreement or any other Finance Document (and Original Finance Document as the case may be) to which it is a party; and
- (ii) to carry on the business of the Obligor as presently conducted and as contemplated by this Bond Agreement (or the bond loan agreement applicable for the Original Bond Issue as the case may be),

have been obtained or effected and are in full force and effect.

7.1.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against any of the Obligor.

7.1.8 Financial Statements

The most recent Financial Statements and Interim Accounts (to the extent provided to the Bond Trustee) fairly and accurately represent the relevant assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with GAAP, consistently applied.

7.1.9 Financial Indebtedness

No Obligor has any Financial Indebtedness outstanding other than as permitted by this Bond Agreement.

7.1.10 No Material Adverse Effect

Since the date of the Financial Statements, there has been no change in the business, assets or financial condition of any of the Obligors that is likely to have a Material Adverse Effect.

7.1.11 No misleading information

Any factual information provided by the Issuer or the Rig 1 Owner to the subscribers of Bonds or the Bond Trustee for the purposes of the Original Bond Issue and/or the Tap Issue was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.1.12 No withholdings

Save for Withholding Tax referred to in Clause 14 and subject to the Bonds being re-listed on or before 15 March 2019, no Obligor is required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under this Bond Agreement.

7.1.13 Environmental compliance

Each of the Obligors is in compliance with any relevant applicable environmental law or regulation in all material respects and no circumstances have occurred which would prevent such compliance in a manner which has or is likely to have a Material Adverse Effect.

7.1.14 *Pari passu* ranking

The payment obligations under this Bond Agreement or any other Finance Document (or Original Finance Document as the case may be) to which any of the Obligors is a party rank at least *pari passu* as set out in Clause 8.1.

7.1.15 Security

No Security exists over any of the present assets of any of the Obligors in conflict with this Bond Agreement (or the bond loan agreement applicable for the Original Bond Issue as the case may be).

7.1.16 Project Documents

Each Project Document (to the extent applicable) is in full force and effect, and no default or event of default has occurred with respect to any such Project Document, which could reasonably be expected to have a Material Adverse Effect.

8 **Status of the Bonds and Security**

8.1 Status and ranking

8.1.1 The Bonds shall constitute senior debt obligations of the Issuer and rank at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.

- 8.1.2 The Bonds, including accrued but unpaid interest, costs and expenses, shall be secured by the Security Interests.
- 8.2 Charter Contracts and Additional Security
- 8.2.1 Charter Contracts may be, subject to Clause 13.5, entered into;
- (i) between the Parent and the relevant client, in which case the relevant Rigowner and the Parent shall enter into a Bareboat Charter;
 - (ii) between any of the Rigowners and the relevant client, in which case the Operational Management Agreement shall become effective; or
 - (iii) between any Rigowners Subsidiary and the relevant client, in which case such Rigowner Subsidiary shall enter into a Bareboat Charter and the Rigowner Subsidiary (or Rigowner) may request the Operational Management Agreement to become effective.
- 8.2.2 To the extent required (if required by a client under a Charter Contract), in order to perfect any Security provided or to be provided as security for the obligations under the Finance Documents, secure the application of earnings under the relevant Charter Contract or otherwise the Bond Trustee shall be authorised to:
- (i) negotiate, finalise and execute the QEL; and/or
 - (ii) establish a Mexican Trust in such form and substance reasonably requested by the Bond Trustee and to be acknowledged by the relevant client, allowing for the receipt of the earnings under any Charter Contract in a trust account located in Mexico, conversion of any amounts received into USD and transfer of such USD in accordance with Clause 13.5.1 or Clause 13.5.2 to the Parent Earnings Account or the Rigowner Earnings Account.
- 8.2.3 The Issuer shall in connection with start of operation under the first and/or any subsequent Charter Contract, subject to the following deadlines and conditions, procure and evidence that the Pre-Drilling Security have been duly executed and perfected by all parties thereto:
- (i) with respect to any Assignment of Bareboat Charter at the latest ten (10) days after the date of the relevant Charter Contract, but in any event no later than ten (10) days prior to the commencement date of such Charter Contract;
 - (ii) with respect to any Assignment of Earnings, at the latest sixty (60) days after the date of the relevant Charter Contract, but in any event no later than ten (10) days prior to the commencement date of such Charter Contract;
 - (iii) with respect to any Assignment of Charter Contract if and to the extent (a) permitted by applicable law, (b) permitted by the relevant Charter Contract, and (c) required consents or authorisations from the relevant client have been obtained by the Parent, the relevant Rigowner or the Rigowner Subsidiary (as the case may be) by using reasonable best endeavours, at the latest thirty (30) days after consent has been obtained; and

- (iv) with respect to any Assignment of Operational Management Agreement, if a Charter Contract is entered into by any of the Rigowners (or, as the case may be a Rigowner Subsidiary), at the latest ten (10) days after the date of the relevant Charter Contract, but in any event no later than ten (10) days prior to the commencement date of such Charter Contract.

- 8.2.4 In the event that a Charter Contract is entered into in accordance with Clause 8.2.1 (iii), the Issuer shall procure that the relevant Rigowner shall (i) execute and/or procure the execution of such additional relevant Security and related documentation as the Bond Trustee may reasonably require in order for the Bondholders to at all times maintain Security corresponding to the Security Interest or otherwise set out in this Bond Agreement, and (ii) without limitation to the generality of the foregoing, (a) the relevant Rigowner shall provide a pledge on first priority of all the shares in the relevant Rigowner Subsidiary and (b) the relevant Rigowner Subsidiary shall issue an on demand guarantee, containing such representations and warranties and covenants and events of default provisions as set out in Clauses 7, 13 and 15 herein as the Bond Trustee may reasonably require and which shall apply *mutatis mutandis* to such Rigowner Subsidiary, and (c) such Rigowner Subsidiary shall be regarded as a "Guarantor" under this Bond Agreement and (d) that application of earnings shall be based on the general principles as contemplated in Clause 13.5.
- 8.2.5 The Issuer shall ensure that the rights of the Parent, Holdco and/or any of the Guarantors (as the case may be) under any Subordinated Loans are assigned (or subject to similar Security under the relevant jurisdiction) on first priority in favour of the Bond Trustee to secure all outstanding obligations under the Finance Documents.
- 8.2.6 The Issuer shall procure that legal opinions in respect of any Additional Security are provided to the Bond Trustee (on behalf of the Bondholders), such legal opinions to include, inter alia, confirmations on capacity, validity, perfection and enforceability of such Additional Security (in form and content satisfactory to the Bond Trustee), together with any such other relevant documents, evidence and confirmations as the Bond Trustee may reasonably require.

9 Interest

- 9.1 The Issuer shall pay interest on the Face Value of the Outstanding Bonds as from, and including, the Original Issue Date or the Tap Issue Date (in the case of the Bonds issued under the Tap Issue) at a fixed rate of 8.875 per cent per annum (the "**Fixed Rate**").
- 9.2 Interest payments shall be made in arrears on the Interest Payment Dates each year.
- 9.3 The relevant interest payable amount shall be calculated based on a period from, and including, one Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.

9.4 For the Interest Payment Date falling on 3 January 2018, the relevant interest payable amount shall be calculated based on a period from, and including, 1 October 2018 to, but excluding, the Interest Payment Date falling on 3 January 2018.

9.5 The day count fraction ("**Fixed Rate Day Count Fraction**") in respect of the calculation of the payable interest amount shall be "30/360", which means that the number of days in the calculation period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-days months (unless (i) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the calculation period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

9.6 The payable interest amount per Outstanding Bond for a relevant calculation period shall be calculated as follows:

$$\text{Interest Amount} = \text{Face Value} \times \text{Fixed Rate} \times \text{Fixed Rate Day Count Fraction}$$

10 Maturity of the Bonds and Redemption

10.1 Instalments and Maturity

10.1.1 The Bonds shall be repaid as follows:

- (i) The Issuer shall (a) on the Monthly Reporting Date ~~last month of the quarter and~~ prior to the Interest Payment Date, calculate and instruct the Paying Agent (and if applicable request confirmation from the Bond Trustee) to pay instalments with an amount equal to the balance of the Interest Retention Account on the Monthly Reporting Date, plus the application of earnings to be transferred to the Interest Retention Account in accordance with the Form of Release Request to the Paying Agent on the Monthly Reporting Date, less the interest and, to the extent applicable, any Deferred Interest Amount, to be paid on the Interest Payment Date, and (b) thereafter follow any payment procedure of the Paying Agent and/or Securities Depository required for the instalments to be made at the earliest practically possible and if possible on the Interest Payment Date and in no event later than 5 Business Days after the Interest Payment Date.
- (ii) The remaining outstanding amount under the Bonds shall be repaid at the Maturity Date.

10.1.2 Payment of instalments must be carried out at par (100%) and pro rata in accordance with the procedures of the Securities Depository.

10.2 Call Option

10.2.1 The Issuer may redeem the Bonds (all or nothing) at a price equivalent to the par value plus accrued unpaid interest on the redeemed amount.

- 10.2.2 Exercise of the Call Option shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least ten (10) Business Days prior to the settlement date of the Call Option.
- 10.2.3 On the settlement date of the Call Option, the Issuer shall pay to each of the Bondholders holding Bonds, in respect of each such Bond, the principal amount of such Bond and any unpaid interest accrued up to the settlement date.
- 10.3 Change of control
- 10.3.1 Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a "**Put Option**") at a price of 101% of par plus accrued but unpaid interest.
- 10.3.2 The Put Option must be exercised within two months after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible after a Change of Control Event has taken place.
- 10.3.3 The Put Option may be exercised by each Bondholder by giving written notice of the request to its Account Manager. The Account Manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third Business Day after the end of the two (2) month exercise period of the Put Option.
- 10.3.4 On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond (including any premium pursuant to Clause 10.3.1) and any unpaid interest accrued up to (but not including) the settlement date.
- 10.4 Mandatory Prepayment and Total Loss
- 10.4.1 Upon a Mandatory Prepayment Event occurring, the Issuer shall not later than thirty (30) days following the relevant Mandatory Prepayment Event (unless there is an Event of Default in which case it will be promptly), redeem 100%, other than in a One Rig Prepayment Event, in which case it shall redeem 50%, of the Outstanding Bonds at a price corresponding to the Call Option level at that time, however, for the avoidance of doubt, based on the date the Mandatory Prepayment Event occurred and not based on the date of repayment.
- 10.4.2 If the Bonds are redeemed according to this Mandatory Prepayment provision, the entire amount on the Minimum Liquidity Account and Interest Retention Account, any amounts received under the relevant sale contract for any of the Rigs or any insurance proceeds, may be used as part payment in relation to the Mandatory Repayment.
- 10.4.3 Upon a Total Loss Event, the Issuer shall promptly once insurance proceeds are available, but in any event no later than sixty (60) days following the Total Loss Event redeem (i) 100% of the Outstanding Bonds at 100% of par value (plus accrued but unpaid interest on redeemed amount) if related to both Rigs or (ii) 50% of the Outstanding Bonds if related to one of the Rigs.
- 10.4.4 Upon the occurrence of several Mandatory Prepayment Events, the Issuer shall only be obliged to pay one redemption amount. Upon the occurrence of (i) a Total Loss

Event and (ii) a Mandatory Prepayment Event, the Issuer shall only pay the lowest applicable redemption amount.

11 Payments

11.1 Payment mechanics

11.1.1 The Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.

11.1.2 Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but if the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question, see however Clause 11.2.

11.1.3 In case of irregular payments, the Bond Trustee may instruct the Issuer, the Guarantor or Bondholders of other payment mechanisms than described in Clause 11.1.1 or 11.1.2 above. The Bond Trustee may also obtain payment information regarding Bondholders' accounts from the Securities Depository or Account Managers.

11.2 Currency

11.2.1 Each Bondholder has to provide the Paying Agent (either directly or through its Account Manager) with specific payment instructions, including foreign exchange bank account details. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, cash settlement may be delayed, and payment shall be deemed to have been made at the date of the cash settlement, provided however, that no default interest or other penalty shall accrue for the account of the Issuer.

11.2.2 Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency as the Bonds are denominated in. If, however, the Bondholder has not given instruction as set out in Clause 11.2.1 within five (5) Business Days prior to an Interest Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder's account in the Securities Depository.

11.2.3 Amounts payable in respect of costs, expenses, taxes and other liabilities of a similar nature shall be payable in the currency in which they are incurred.

11.3 Set-off and counterclaims

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to this Bond Agreement or any other Finance Document.

11.4 Interest in the event of late payment

- 11.4.1 In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due date at an interest rate equivalent to the interest rate according to Clause 9 plus 5.00 per cent per annum.
- 11.4.2 The interest charged under this Clause 11.4 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.
- 11.4.3 The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 15.1.1, cf. Clauses 15.2 - 15.5.

11.5 Partial payments

If the Bond Trustee or the Paying Agent receives a payment that is insufficient to discharge all the amounts then due and payable under the Finance Documents, that payment shall be applied in the following order:

- (i) firstly, in or towards payment of any unpaid fees, costs and expenses of the Bond Trustee under the Finance Documents;
- (ii) secondly, in or towards payment of any accrued interest due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind; and
- (iii) thirdly, in or towards payment of any principal due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind.

12 Issuer's acquisition of Bonds

The Issuer has the right to acquire and own Bonds (Issuer's Bonds). The Issuer's holding of Bonds may at the Issuer's discretion be retained by the Issuer, sold or discharged.

13 Covenants

The Issuer undertakes until such time that no amounts are outstanding under this Bond Agreement or any other Finance Document, to the Bond Trustee, to comply or procure the compliance by (as applicable) each of the Guarantors, Holdco or the Parent, with such covenants as further set out in this Clause 13.

13.1 Information Covenants

13.1.1 The Issuer shall:

- (i) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default, any event or circumstance which the Issuer

understands or ought to understand may lead to an Event of Default and any other event which may have a Material Adverse Effect;

- (ii) without being requested to do so, inform the Bond Trustee in writing if the Issuer or any of the Guarantors agrees to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;
- (iii) without being requested to do so, prepare Financial Statements, which shall confirm compliance with the Financial Covenants in Clause 13.6, and make the Financial Statements available on its website or a website relating to the Issuer (e.g. the Parent's website) (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than 120 days after the end of the financial year;
- (iv) without being requested to do so, prepare Interim Accounts and make them available on its website or a website relating to the Issuer (e.g. the Parent's website) in the English language (alternatively by arranging for publication on Stamdata) as soon as they become available, and not later than 60 days after the end of the relevant quarter;
- (v) without being requested to do so, prepare and deliver the Budget to the Bond Trustee
- (vi) on each Monthly Reporting Date, prepare and deliver to the Bond Trustee the Income and Release Statement;
- (vii) at the request of the Bond Trustee, report the balance of the Issuer's Bonds;
- (viii) without being requested to do so, send the Bond Trustee copies of any statutory notifications of the Issuer or any of the Guarantors, including but not limited to in connection with mergers, de-mergers and reduction of share capital or equity;
- (ix) after the Bonds are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange;
- (x) if the shares in Holdco are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange;
- (xi) if any of the Obligors and/or the Bonds are rated, without being requested to do so, inform the Bond Trustee of its and/or the rating of the Bond Issue, and any changes to such rating;
- (xii) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository; and
- (xiii) within a reasonable time, provide such information about the Issuer's or any of the Guarantors' business, assets and financial condition as the Bond Trustee may reasonably request.

13.1.2 The Issuer shall in connection with the publication of its Financial Statements and Interim Reports under Clause (iii) and (iv), confirm to the Bond Trustee in writing the Issuer's compliance with the covenants in this Clause 13, unless the Bond Trustee explicitly waives such requirement. Such confirmation shall be undertaken in a certificate, substantially in the form set out in Attachment 1 hereto, signed by the Chief Executive Officer or Chief Financial Officer of the Issuer (a "**Compliance Certificate**"). In the event of non-compliance, the Compliance Certificate shall describe the non-compliance, the reasons therefore as well as the steps which the Issuer has taken and will take in order to rectify the non-compliance.

13.2 General Covenants

13.2.1 *Pari passu* ranking

The Issuer shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all times rank at least *pari passu* as set out in Clause 8.1.

13.2.2 Security

The Issuer shall ensure the timely establishment and perfection of any Additional Security and at all times ensure that the Security created under the Security Documents remains duly created, enforceable and perfected on its relevant priority, at the expense of the Issuer.

13.2.3 Mergers

The Issuer shall not carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of the Issuer with any other companies or entities if such transaction would have a Material Adverse Effect.

13.2.4 De-mergers

The Issuer shall not carry out any de-merger or other corporate reorganisation involving a split of the Issuer into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

13.2.5 Continuation of business

The Issuer shall not cease to carry on its business, and shall procure that no substantial change is made to the general nature of its business from that carried on at the date of this Bond Agreement and/or as set out in this Bond Agreement.

13.2.6 No other business and investments

The Issuer shall not invest or make any capital expenditures or take part in any other activity than solely related to the Bonds and the ownership of the Rigowners.

13.2.7 Disposal of business

The Issuer shall not, sell or otherwise dispose of all or a substantial part of its assets or operations, except from sale of shares in the Guarantors provided that the mandatory prepayment provisions set out in Clause 10.4 can be and are met.

13.2.8 Ownership to and funding of the Guarantors

The Issuer shall maintain 100% legal and beneficial ownership of the Guarantors and ensure sufficient funding of the Guarantors, to enable each of them to meet its obligations under the Project Documents (to which such Guarantor is a party) from time to time, except from sale of such shares in accordance with the Mandatory Prepayment provisions set out in Clause 10.4.

13.2.9 Accounts

The Issuer shall not open any other bank accounts other than the Minimum Liquidity Account, the Interest Retention Account, the Issuer Liquidity Account and to the extent relevant any account opened in connection with the Mexican Trust in accordance with Clause 8.2.2(ii), and procure that all such accounts are held with an Account Bank.

13.2.10 Corporate status

The Issuer shall not change its type of organisation or jurisdiction of incorporation.

13.2.11 Compliance with laws

The Issuer shall carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it may be subject to from time to time. Furthermore, the Issuer shall ensure that it is not engaged in any conduct prohibited by any legal requirement of any program administered by the Office of Foreign Asset Control ("OFAC") of the U. S. Department of Treasury and the Issuer shall not engage in any conduct that would cause adverse consequences to the Issuer or the bondholders under any program administered by OFAC.

13.2.12 Financial Indebtedness

The Issuer shall not incur or permit to remain outstanding, any Financial Indebtedness (whether secured or unsecured) other than (i) the Financial Indebtedness arising under the Bond Issue or (ii) any Subordinated Loans.

13.2.13 Negative pledge

The Issuer shall not create, permit to subsist or allow to exist any security over any of its present or future respective assets or revenues, other than:

- (i) the Security under this Bond Issue; or
- (ii) any lien or security arising by operation of law in the ordinary course of business in respect of claims that are not overdue.

13.2.14 Financial assistance

The Issuer shall not grant any loans, guarantees or other financial assistance (including, but not limited to granting security) to any third party, other than Subordinated Loans and Intercompany Loans entered into, serviced and otherwise performed in accordance with the terms of this Bond Agreement.

13.2.15 Arm's length transactions

The Issuer shall not engage directly or indirectly, in any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except in the ordinary course of business and upon fair and reasonable terms that are not less favourable to the Issuer, as the case may be, than those which might be obtained in an arm's length transaction at the time.

13.2.16 Dividend and distributions

The Issuer shall not declare or make any dividend payments, loans or other distributions, including repayment of Subordinated Loans, or make any other transactions implying a transfer of value to its shareholders – whether in cash or in kind – including without limitation repurchase of shares, any total return swaps or instruments with similar effect and reductions in its share capital or equity.

13.2.17 Interest Retention Account

The Issuer shall ensure that the Interest Retention Account is funded in accordance with the flow of funds in Clause 13.5 (*Application of Earnings*) (if any). The Issuer shall ensure that any amounts deposited on such account are used for payment of interest and instalment on the next relevant Interest Payment Date.

13.3 Contract related covenants

13.3.1 SG&A Agreement

The Issuer shall:

- (i) ensure that the Issuer, the Rigowner and the Rigowner Subsidiary enters into the SG&A Agreement with the Parent, which shall not be amended, assigned or terminated or allow for any amendments, assignment or termination of such agreement other than set out in this Bond Agreement; and
- (ii) ensure that the SG&A Agreement is based on market terms and that the agreed payments to be made to the Parent under the SG&A Agreement in no event exceeds the SG&A Costs.

13.3.2 Operational Management Agreement

The Issuer shall ensure that:

- (i) the Issuer, the Rigowner and the Rigowner Subsidiary enter into the Operational Management Agreement with the Parent, which shall not be amended, assigned or terminated or allow for any amendments, assignment

or termination of such agreement other than set out in this Bond Agreement;
and

- (ii) the Operational Management Agreement is based on market terms and that the Operational Management Agreement Fee to be paid to the Parent under the Operational Management Agreement in no event exceeds the Operating Expenses.

13.3.3 Project Documents

The Issuer shall:

- (i) enter into such Project Documents as contemplated for in this Bond Agreement on terms acceptable to the Bond Trustee;
- (ii) perform and observe in all material respects with all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party;
- (iii) ensure that all rates payable under the Bareboat Charters shall be equal to the Bareboat Rate;
- (iv) take all necessary action to prevent the termination of any such Project Documents or (to the extent relevant) in accordance with the terms thereof or otherwise, other than as a result of expiry of the relevant contract period or termination by counter party against payment of early termination fees reflecting remaining contract period;
- (v) take any and all action as may be reasonably necessary promptly to enforce its rights and to collect any and all sums due to it under such Project Documents; and
- (vi) not consent to any amendment of any such Project Document or exercise any material option thereunder except for (a) consents or exercise of options not having any material negative impact on the value of the Rig and/or (b) the Permitted Pemex Amendments.

13.3.4 Subordinated Loans

The Issuer shall ensure that any Subordinated Loan shall (i) be unsecured and fully subordinated to the Bonds, (ii) have a maturity date (and actually be partly or fully repaid) later than the date of the redemption of the Bonds in full, (iii) have no interest or amortization payment during the term of the Bonds and (iv) be subject to an Assignment of Subordinated Loan, i.e. all currently existing and future Subordinated Loans shall as a condition precedent to their granting be subject to assignment in favour of the Bond Trustee.

13.3.5 Subordinated management payments

The Issuer shall ensure that any amounts payable under or in respect of the Operational Management Agreements and the SG&A Agreement or any other management and agreements for similar services with the Parent or any of its

Subsidiaries in respect of the Rig are paid as they fall due, and that all such payments shall be fully subordinated to the Bond, except for any amounts payable under or in respect of the Operational Management Agreement or the SG&A Agreement accrued after completion of any enforcement or acceleration of the bonds in accordance with this agreement resulting in the Parent no longer having direct or indirect ownership over the shares of the Issuer or the Rigowner.

13.4 Rig covenants

13.4.1 Arrangements concerning the Rig

The Issuer shall not, and shall ensure that none of the Rigowners shall, make any financial or other arrangements concerning any of the Rigs and its employment other than provided for in the Finance Documents, which is likely to have a Material Adverse Effect.

13.4.2 Ownership to the Rigs

The Issuer shall ensure that Rig 1 Owner and Rig 2 Owner shall maintain 100% legal and beneficial ownership of Rig 1 and Rig 2, respectively, except from sale of any of the Rigs provided that the mandatory prepayment provisions set out in Clause 10.4 can be and are met.

13.4.3 Insurance

- (i) The Obligors shall procure that each of the Rigs are adequately insured against relevant risks, including but not limited to, (a) Hull and Machinery (with an insured value of the Rigs being the greater of their fair market value and 120% of the aggregated outstanding amounts under the Finance Documents), (b) Hull Interest and/or Freight Interest, (c) Loss of Hire, (d) war risks (including acts of terrorism, war risks, P&I, piracy and confiscation) and (e) Protection & Indemnity (including a maximum club cover for oil pollution liability for the Rigs) in such amounts and currencies (taking into account amongst other the area of operation) and placed or entered with such reputable insurers, brokers or P&I clubs as the Bond Trustee from time to time may approve, including any additional insurance required under any applicable law or the relevant Charter Contract.
- (ii) The Obligors shall procure that the Bond Trustee (on behalf of the Bondholders) is noted as first priority mortgagee and sole loss payee in the relevant insurance contracts, together with the confirmation from the underwriters to the Bond Trustee thereof that the notice of assignment with regards to the insurances and the loss payable clauses (with a monetary threshold of USD 5,000,000) are noted in the insurance contracts and that standard letters of undertaking are executed by the insurers.
- (iii) Not later than 14 days before the expiry date of the relevant insurances, the Issuer shall procure the delivery to the Bond Trustee of a certificate from the insurance broker(s) through whom the insurances referred to in (i) have been renewed and taken out in respect of each of the Rigs, that such insurances

are in full force and effect and that the Bond Trustee (on behalf of the Bondholders) has been noted by the relevant insurers.

- (iv) If any of the insurances referred to in (i) have been taken out on conditions other than the Nordic Marine Insurance Plan of 2013 (as amended from time to time) and/or form part of a fleet cover, the Obligors shall procure that the insurers shall undertake to the Bond Trustee that they shall neither set-off against any claims in respect of any of the Rigs any premiums due in respect of other rigs under such fleet cover or any premiums due for other insurances, nor cancel this insurance for reason of non-payment of premiums for other rigs under such fleet cover or of premiums for such other insurances, and shall undertake to issue a separate policy in respect of the Rigs if and when so requested by the Bond Trustee.
- (v) The Obligors shall procure that the Rigs always are employed in conformity with the terms of the instruments of insurances (including any warranties expressed or implied therein) and comply with such requirements as to extra premium or otherwise as the insurers may prescribe.
- (vi) The Obligors will not make any material changes to the insurances described under (i) above without the prior written consent of the Bond Trustee.
- (vii) Upon the occurrence of a Total Loss Event, the Issuer shall, within sixty (60) days after date of the Total Loss Event, obtain and present to the Bond Trustee a written confirmation from the relevant insurers that the claim relating to the Total Loss Event has been accepted in full, and the insurance proceeds shall, as soon as they are released, be applied in a Mandatory Prepayment pursuant to Clause 10.4.
- (viii) The Issuer shall on demand reimburse the Bond Trustee for any premium payable in respect of any Mortgagees' Interest Insurance or Mortgagees' Additional Perils Insurance up to, in aggregate for each, 120% of the outstanding amount under the Finance Documents taken out by the Bond Trustee in respect of each of the Rigs.

13.4.4 Flag, name, registry

The Obligors shall ensure that the Rigs are maintained under the relevant flag, registered in the Panama Ship Registry (or other ship registry acceptable to the Bond Trustee) under their present name in the ownership of the Rig 1 Owner for Rig 1 and the Rig 2 Owner for Rig 2.

13.4.5 Class

The Obligors shall ensure that the class of each of the Rigs is maintained at the highest applicable class with Det Norske Veritas, Lloyds Register of Shipping, Bureau Veritas, American Bureau of Shipping or another first class, internationally recognised classification society that is a member of the International Association of Classification Societies, acceptable to the Bond Trustee, at all times free of all overdue extensions and conditions of class, and not change the class nor classification society for each of the Rigs and upon request provide the Bond Trustee

with all information regarding each of the Rigs' class position (including but not limited to information on extensions and conditions of class).

13.4.6 Operations in accordance with laws etc.

The Obligors shall at all times ensure that each of the Rigs is operated in accordance with any laws, regulations (environmental or otherwise), administrative decisions and/or other public authorities as applicable from time to time and jurisdiction to jurisdiction.

13.4.7 Condition

The Obligors shall ensure satisfactory maintenance of each of the Rigs and all relevant equipment related thereto at all times, including to ensure that each of the Rigs is maintained and preserved in a good and safe condition and state of repair consistent with first class ship ownership and management practice, complying with all other marine safety and other regulations and requirements from time to time applicable to rigs registered in the Panama Ship Registry and applicable to rigs operating in any jurisdiction in which any of the Rigs may trade from time to time. During operation of the Rigs, the Obligors shall ensure that any charterer or client operates and maintains the relevant Rig in accordance with the applicable maintenance system.

13.4.8 Release of charges

The Obligors shall as soon as possible and not later than ten (10) Business Days, or if contested in good faith, fifteen (15) Business Days, after becoming aware of the same ensure that maritime liens (other than statutory liens for claims which are not overdue), distress or other similar charges on any of the Rigs or other assets of the Obligors shall be released or that relevant legal proceedings shall have been instigated in good faith with a view to discharge such lien, distress or charges.

13.4.9 Prevention and release from arrests

The Obligors shall promptly discharge all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against any of the Rigs, any earnings related to any of the Rigs or the insurances related to any of the Rigs and, forthwith upon receiving notice of the arrest of such Rig, or of its detention in exercise or purported exercise of any lien or claim, the relevant Obligor shall as soon as possible and not later than within three (3) Business Days procure its release by providing bail or otherwise as the circumstances may require.

13.4.10 Notification

The Obligors shall ensure that the Bond Trustee is notified forthwith by letter, or in case of urgency by facsimile, of:

- (i) any accident to any of the Rigs involving repairs the cost whereof is likely to exceed USD 1,500,000 (or the equivalent in any other currency);
- (ii) any occurrence in consequence whereof a Total Loss Event has occurred or is likely to occur;

- (iii) any material requirement or recommendation made by any insurer or classification society or by any competent authority which is not immediately complied with;
- (iv) any piracy, theft and hijacking of any of the Rigs;
- (v) any arrest or detention of any of the Rigs, any exercise of any lien on any of the Rigs or its earnings or any requisition of any of the Rigs for hire; and
- (vi) any actual or threatened or alleged breach (not being immaterial) of laws and regulations applicable to any of the Rigs and/or the operation thereof (environmental or otherwise).

13.5 Application of Earnings

13.5.1 Application of Earnings - Charter Contract with the Parent

To the extent a Charter Contract is entered into by the Parent, the Parent shall ensure that any earnings and other payments (including proceeds from any Receivables Financing) are paid into the Parent Earnings Account (or to the Mexican Trustee under the Mexican Trust (if applicable) and that proceeds from the Mexican Trust are paid to the Parent Earnings Account). On each Monthly Reporting Date, the Parent shall deliver the Income and Release Statement together with a Release Request to the Bond Trustee for transfer from the ~~Parent Earnings Account~~:

- (i) ~~(a) Parent Earnings Account to an operating account nominated by the Parent, Operating Expense Account, the Deductible SG&A Costs, the Deductible Operational Expenses, the Deductible Withholding Tax and the (if applicable), any Deductible Cost of Receivable Receivables Financing and (b) to the Minimum Liquidity (if applicable) and the Implementation Costs;~~
- (ii) Parent Earnings Account to the Rigowner Earnings Account, (a) the Deductible Capital Expenditure and to the extent applicable any Deductible Withholding Tax for Issuer; and (ii) — an amount equal to (b) the Deductible Bareboat Rate; and
- (iii) Rigowner Earnings Account to the Interest Retention Account the Deductible Bareboat Rate (as repayment of the Intercompany Loan).

13.5.2 Application of Earnings - Charter Contract with a Rigowner

To the extent a Charter Contract is entered into by a Rigowner, the Rigowner shall ensure that any earnings and other payments (including proceeds from any Receivables Financing) are paid into the Rigowner Earnings Account (or to the Mexican Trustee under the Mexican Trust (if applicable) and that proceeds from the Mexican Trust are paid to the Rigowner Earnings Account). On each Monthly Reporting Date, the Rigowner shall deliver the Income and Release Statement together with a Release Request ~~together~~ to the Bond Trustee for transfer from the ;

- (i) Rigowner Earnings Account: (i) — (a) to an operating account nominated by to the Parent Operating Expense Account the Deductible Operational Management Agreement Fee, the Deductible SG&A Agreement Fee and,

any Deductible Cost of ~~Receivable~~Receivables Financing (if applicable) and ~~(b) to the Minimum Liquidity Account the Deductible Capital Expenditure and any Withholding Tax applicable for the Issuer~~the Implementation Costs; and

- (ii) Rigowner Earnings Account to the Interest Retention Account, ~~all~~any amount remaining ~~funds in~~on the ~~relevant~~ Rigowner Earnings Account, less ~~any Deductible Cost of Receivable Financing and~~ Deductible Withholding Tax (if applicable), Deductible Capital Expenditure, Deductible Cost of Receivables Financing (if applicable) and the Liquidity Buffer in each case remaining from transfers on the current and/or previous Monthly Reporting Dates (as repayment of the Intercompany Loan)

13.5.3 Deferred Deductible Amounts

Any deferrals in accordance with this Bond Agreement shall not have any effect on the Issuer's obligations in accordance with Clause 9 and Clause 10.

13.5.4 Intercompany Loan Repayments

The Intercompany Loan Repayments shall constitute payment of outstanding cost, interest and amortization of the Intercompany Loans (in that order). If the relevant Intercompany Loans have been repaid before the Bond Issue has been repaid in full, the amount that would otherwise have been transferred as Intercompany Loan Repayments shall be applied as dividends, equity reductions and/or increases of Subordinated Loans from the Rigowner.

13.5.5 Release of Capital Expenditure from the Rigowner Earnings Account

Any request to release funds from the Rigowner Earnings Account for payment of Capital Expenditure, is subject to such Capital Expenditure being documented and payable and any such release shall be transferred from the Rigowner Earnings Account to a Mexican account in the name of the Rigowner and made at the same time as any release requests made in accordance with Clause 13.5.1 or 13.5.2.

13.6 Financial covenants

13.6.1 Liquidity

The Issuer shall at all times maintain no less than USD 10,000,000 (the "**Retained Amount**") in the Minimum Liquidity Account.

13.6.2 Equity Ratio

The Issuer shall, on a consolidated basis with the Rigowners, at all times maintain an Equity Ratio of no less than 22.5%.

13.7 Guarantor special covenants

13.7.1 Subordination

Each of the Guarantors shall ensure that any Subordinated Loans provided by it shall (i) be unsecured and fully subordinated to the Bonds, (ii) have a maturity date (and actually be partly or fully repaid) later than the date of the redemption of the Bonds in full, (iii) have no interest or amortization payment during the term of the Bonds and (iv) be subject to an Assignment of Subordinated Loan, i.e. all currently existing and future Subordinated Loans shall as a condition precedent to their granting be subject to assignment in favour of the Bond Trustee.

13.7.2 Pari passu ranking

Each of the Guarantors shall ensure that its obligations under any Finance Document to which it is a party shall all time rank at least pari passu with all other obligations of said Guarantor (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and that such obligations rank ahead of subordinated debt.

13.7.3 Ownership

Each of the Guarantors shall maintain 100% direct ownership and control over its respective Rig, except as set out in Clause 13.7.8 below.

13.7.4 Mergers

Neither of the Guarantors shall carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of such Guarantor with any other companies or entities if such transaction would have a Material Adverse Effect.

13.7.5 De-mergers

Neither of the Guarantors shall carry out any de-merger or other corporate reorganisation involving a split of such Guarantor into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

13.7.6 Continuation of business

Neither of the Guarantors shall cease to carry on its business, and shall procure that no substantial change is made to the general nature of its business from that carried on at the date of the Original Bond Agreement and/or as set out in this Bond Agreement.

13.7.7 No other business and investments

Neither of the Guarantors shall invest or take part in any other activity than solely related to the ownership and operation of the relevant Rig in accordance with the terms herein.

13.7.8 Disposal of business

Neither of the Guarantors shall sell or otherwise dispose of all or a substantial part of its assets or operations, unless (i) such sale or disposal is on arm's length terms and for fair market value and (ii) the Bonds can be and are redeemed in full in accordance

with the mandatory prepayment provisions set out in Clause 10.4 in relation to sale or disposal of a Rig only.

13.7.9 Corporate status

Neither of the Guarantors shall change its type of organisation or jurisdiction of incorporation.

13.7.10 Compliance with laws

Each of the Guarantors shall carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it may be subject to from time to time. Furthermore, the Guarantor shall ensure that it is not engaged in any conduct prohibited by any legal requirement of any program administered by the Office of Foreign Asset Control ("OFAC") of the U. S. Department of Treasury and the Guarantor shall not engage in any conduct that would cause adverse consequences to any of the Obligors or the bondholders under any program administered by OFAC.

13.7.11 Financial Indebtedness

Neither of the Guarantors shall incur or permit to remain outstanding, any Financial Indebtedness (whether secured or unsecured) other than (i) the Financial Indebtedness arising under any Finance Documents to which they are a party, (ii) any Subordinated Loans under which the Parent, Holdco or the other Guarantor is lender, (iii) the Intercompany Loans (iv) any Financial Indebtedness under any Receivables Financing and (v) as a result of seller's credit provided by third party suppliers in the ordinary course of business consistent with market practice.

13.7.12 Negative pledge

Neither of the Guarantors shall create or permit to subsist any security over any of its assets or enter into arrangements having a similar effect other than (i) the Security for the Bonds, (ii) as a result of seller's credit provided by third party suppliers in the ordinary course of business consistent with market practice, or (iii) any lien or security arising by operation of law in ordinary course of business in respect of claims that are not overdue, or (iv) any Receivables Collateral.

13.7.13 Financial assistance

Neither of the Guarantors shall grant any loans, guarantees or other financial assistance (including, but not limited to granting security) to any third party, other than (i) any Subordinated Loans to the Issuer or the other Guarantor, or (ii) in the ordinary course of business.

13.7.14 Arm's length transactions

The Guarantors shall not engage directly or indirectly, in any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except in the ordinary course of business and upon fair and reasonable terms that are not less favourable to the Guarantor, as the case may be, than those which might be obtained in an arm's length transaction at the time.

13.7.15 [Not used]

13.7.16 Charter Contracts

Each of the Guarantors shall:

- (i) ensure that a Charter Contract is entered into only if (a) the relevant client is an internationally reputable oil company and (b) such client's drilling operations or jurisdiction of incorporation is not any of Iran, North Korea, Venezuela or any other jurisdiction which is on any applicable United Nations, European Union or the United States of America's sanctions list;
- (ii) use its reasonable best endeavours to ensure that any other Charter Contract is entered into directly by the relevant Rigowner (or, as the case may be, a Rigowner Subsidiary in the relevant jurisdiction), and if necessary, obtain a performance guarantee from the Parent in such form and substance as reasonably requested by the relevant client; and
- (iii) prior to it (or, as the case may be, a Rigowner Subsidiary in the relevant jurisdiction) becoming a direct party to a Charter Contract, (a) procure that it (or, as the case may be, such Rigowner Subsidiary) enter into an Operational Management Agreement and procure the termination of any Bareboat Charter with the Parent upon effectiveness of such Operational Management Agreement, and (b) notifying the Bond Trustee thereof, including the terms of the relevant Charter Contract and the Operational Management Agreement.

13.7.17 Project Documents

Each of the Guarantors shall:

- (i) enter into such Project Documents as contemplated for in this Bond Agreement on terms acceptable to the Bond Trustee;
- (ii) perform and observe in all material respects all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party;
- (iii) take all necessary action to prevent the termination of any such Project Documents in accordance with the terms thereof or otherwise, other than as a result of expiry of the relevant contract period or termination by counter party against payment of early termination fees reflecting remaining contract period;
- (iv) take any and all action as may be reasonably necessary promptly to enforce its rights and to collect any and all sums due to it under such Project Documents; and
- (v) not consent to any amendment of any such Project Document or exercise any material option thereunder, except for (a) consents or exercise of options not having any material negative impact on the value of the Rig and/or (b) the Permitted Pemex Amendments.

13.8 Parent special covenants

13.8.1 Subordination and no enforcement

The Parent shall ensure:

- (i) that any Subordinated Loans provided by it shall (a) be unsecured and fully subordinated to the Bonds, (b) have a maturity date (and actually be partly or fully repaid) later than the date of the redemption of the Bonds in full, (c) have no interest or amortization payment during the term of the Bonds and (d) be subject to an Assignment of Subordinated Loan, i.e. all currently existing and future Subordinated Loans shall as a condition precedent to their granting be subject to assignment in favour of the Bond Trustee;
- (ii) that any amounts payable to it under or in respect of any of the Operational Management Agreements or any other management and similar services in respect of any of the Rigs or any amounts payable under the SG&A Agreement are fully subordinated to the Bond except for any amounts payable under or in respect of the Operational Management Agreement or the SG&A Agreement accrued after completion of any enforcement or acceleration of the bonds in accordance with this agreement resulting in the Parent no longer having direct or indirect ownership over the shares of the Issuer or the Rigowner; and
- (iii) not enforce any monetary claim against any of the Obligors without prior written consent of the Bond Trustee, nor permit any affiliated party to enforce such claim.

13.8.2 Loyalty

The Parent shall in its capacity as controlling shareholder of Holdco and the Obligors to the extent applicable act in accordance with and loyalty to the terms of the Finance Documents, e.g. not demand or vote in favour of any dividend payments or other distributions from the Issuer other than allowed herein.

13.8.3 Ownership

The Parent shall procure that the Issuer remains a wholly owned subsidiary of Holdco and the Guarantors remain wholly owned subsidiaries of the Issuer, except from sale of such shares in accordance with the Mandatory Prepayment provisions set out in Clause 10.4.

13.8.4 Security

The Parent shall ensure the due and timely execution and perfection of any Additional Security to which it shall become a party and at all times ensure that Security created under Security Documents to which it is a party remains duly created, enforceable and perfected on its relevant priority.

13.8.5 Parent Earnings Account

The Parent shall maintain the Parent Earnings Account with an Account Bank.

13.8.6 Parent Earnings

As long as a Charter Contract to which the Parent is a party is in place, the Parent shall ensure that all earnings received from such Charter Contract(s) shall be received into the Parent Earnings Account (or to the Mexican Trustee under the Mexican Trust (if applicable) and that any proceeds from the Mexican Trust are paid to the Parent Earnings Account), and ensure distribution of such earnings in accordance with Clause 13.5.1.

13.8.7 Payment and funding of operating expenses

As long as a Charter Contract to which the Parent is a party is in place for any of the Rigs, the Parent shall cover and ensure the timely and full payment of all operating expenses with respect to such Rig(s).

13.8.8 Transfer of mobilisation fee

To the extent the Parent becomes a party to a Charter Contract promptly transfer to the relevant Rigowner any mobilisation fee remuneration received from the relevant client to such Charter Contract.

13.8.9 Charter Contracts

The Parent shall:

- (i) ensure that a Charter Contract, to which it is or may become a party, is entered into only if (a) the relevant client is an internationally reputable oil company and (b) such client's drilling operations or jurisdiction of incorporation is not any of Iran, North Korea, Venezuela or any other jurisdiction which is on any applicable United Nations, European Union or the United States of America's sanctions list;
- (ii) use its reasonable best endeavours to ensure that any other Charter Contract is entered into directly by the relevant Rigowner or a Rigowner Subsidiary in the relevant jurisdiction, and if necessary, issue a performance guarantee in such form and substance as reasonably requested by the relevant client under such Charter Contract.

13.8.10 Project Documents

The Parent shall:

- (i) enter into such Project Documents as contemplated for in this Bond Agreement on terms acceptable to the Bond Trustee;
- (ii) perform and observe in all material respects with all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party;
- (iii) take all necessary action to prevent the termination of any such Project Documents in accordance with the terms thereof or otherwise, other than as a result of expiry of the relevant contract period or termination by counter

party against payment of early termination fees reflecting remaining contract period;

- (iv) take any and all action as may be reasonably necessary promptly to enforce its rights and to collect any and all sums due to it under such Project Documents; and
- (v) not consent to any amendment of any such Project Document or exercise any material option thereunder except for (a) consents or exercise of options not having any material negative impact on the value of the relevant Rig(s) and/or (b) the Permitted Pemex Amendments.

13.8.11 Manager

The Parent shall in its capacity as manager of any of the Rigs under any of the Operational Management Agreements market and operate the Rigs in accordance with good industry standards and in accordance with the Project Documents and in compliance with the terms hereof and the relevant Finance Documents.

13.8.12 Negative pledge

The Parent shall not (save for Security granted by it for the Bonds) create, permit to subsist or allow to exist any security over any of its assets included as Security for the Bonds except for the Receivables Collateral.

13.9 Holdco special covenants

13.9.1 Subordination and no enforcement

Holdco shall ensure:

- (i) that any Subordinated Loans provided by it shall (a) be unsecured and fully subordinated to the Bonds, (b) have a maturity date (and actually be partly or fully repaid) later than the date of the redemption of the Bonds in full, (c) have no interest or amortisation payment during the term of the Bonds and (d) be subject to an Assignment of Subordinated Loan, i.e. all currently existing and future Subordinated Loans shall as a condition precedent to their granting be subject to assignment in favour of the Bond Trustee; and
- (ii) not enforce any monetary claim against any of the Obligors without prior written consent of the Bond Trustee, nor permit any affiliated party to enforce such claim.

13.9.2 Loyalty

Holdco shall in its capacity as controlling shareholder of the Obligors to the extent applicable act in accordance with and loyalty to the terms of the Finance Documents, e.g. not demand or vote in favour of any dividend payments or other distributions from the Issuer other than allowed herein.

13.9.3 Ownership

Holdco shall maintain 100% direct ownership of the Issuer and procure that the Guarantors remain wholly owned subsidiaries of the Issuer, except from sale of such shares in accordance with the Mandatory Prepayment provisions set out in Clause 10.4.

13.9.4 Negative pledge

Holdco shall not (save for Security granted by it for the Bonds) create, permit to subsist or allow to exist any security over any of its assets included as Security for the Bonds.

14 Fees and expenses

14.1 The Issuer shall cover all costs and expenses incurred by it or the Bond Trustee (and/or the Security Agent) in connection with this Bond Agreement and the fulfilment of its obligations under this Bond Agreement or any other Finance Document, including in connection with the negotiation, preparation, execution and enforcement of this Bond Agreement and the other Finance Documents (including amendments to such documents to the extent applicable) and any registration or notifications relating thereto (including any stamp duty) and the registration and administration of the Bonds in the Securities Depository. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from any Obligor or any other person, irrespective of such funds being subject to Security under a Finance Documents, to set-off and cover any such costs and expenses.

The Issuer shall ensure that the Parent shall cover (i) any cost connected to the listing or re-listing of the Bonds on an Exchange and (ii) any Withholding Tax exceeding 4.9% until re-listing of the Bonds and implementation of other measures (to the extent applicable) which qualifies the Issuer to pay the minimum Withholding Tax on Interest Payments and Instalments not exceeding 4.9%.

Notwithstanding anything else contained in this Agreement, ~~all the fees and expenses related to the Third Amendment and Restatement Agreement or payable under this Clause 14~~ Implementation Costs will not be considered as a part of the Operating Expenses and may (if required) be transferred from the Parent Earnings Account and/or Interest Retention Account before any payments are made in accordance with Clause 10.1.1.

14.2 The fees, costs and expenses payable to the Bond Trustee (and/or the Security Agent) shall be paid by the Issuer and are set out in a separate agreement between the Issuer and the Bond Trustee (and/or the Security Agent).

14.3 Fees, costs and expenses payable to the Bond Trustee (or the Security Agent) which, due to the Issuer's insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee (or the Security Agent) in connection with the restructuring or default of the Bond Issue and the enforcement of any Security.

14.4 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.

14.5 The Issuer shall in the event that a Charter Contract is entered into with a client in Mexico procure that it qualifies to pay the minimum Withholding Tax on Interest Payments not exceeding 4.9%, subject to that the Issuer shall only be required to list the Bonds in accordance with Clause 3 on or before 15 March 2019.

14.6 The Issuer is responsible for withholding any Withholding Tax imposed by applicable law on any payments to the Bondholders.

14.7 If the Issuer is required by law to withhold any Withholding Tax from any payment under any Finance Document:

- (i) the amount of the payment due from the Issuer shall be increased to such amount which is necessary to ensure that the Bondholders receive a net amount which is (after making the required withholding) equal to the payment which would have been due if no withholding had been required; and
- (ii) the Issuer shall at the request of the Bond Trustee deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.

14.8 If any Withholding Tax is imposed due to subsequent changes in applicable law after the Amendment Date, the Issuer shall have the right to call all but not some of the Bonds at par value plus accrued interest. Such call shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least 30 Business Days prior to the settlement date of the call.

15 Events of Default

15.1 The Bond Trustee may declare the Bonds to be in default upon occurrence of any of the following events:

15.1.1 Non-payment

The Issuer, or as the case may be, any of the Guarantors or the Parent, fails to fulfil any payment obligation due under this Bond Agreement, any Finance Document or any Bareboat Charter when due, unless, in the opinion of the Bond Trustee, it is likely that such payment will be made in full within five (5) Business Days following the original due date.

15.1.2 Breach of other obligations

The Issuer, or as the case may be, any of the Guarantors or the Parent, does not comply with any provision pursuant to this Bond Agreement, any Finance Document or any Bareboat Charter (other than non-payment), unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten (10) Business Days after notice thereof is given to the Issuer by the Bond Trustee.

15.1.3 Cross default – Financial Indebtedness

If for the Issuer or the Guarantors:

- (i) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above of USD 2,000,000, or the equivalent thereof in other currencies, shall apply.

15.1.4 Cross acceleration – Financial Indebtedness

If for the Parent or Holdco:

- (i) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (ii) any creditor notify the Parent of its intention to accelerate and/or to start or starts proceedings to enforce any Financial Indebtedness, any guarantee or security provided for any Financial Indebtedness,

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment, guarantee or security for Financial Indebtedness falling within paragraphs (i) and (ii) above of USD 5,000,000, or the equivalent thereof in other currencies, shall apply.

15.1.5 Misrepresentations

Any representation, warranty or statement (including statements in compliance certificates) made under this Bond Agreement or any other Finance Document or in connection any such documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made.

15.1.6 Insolvency

- (i) Any Obligor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

- (ii) The value of the assets of any Obligor is less than its liabilities (taking into account contingent and prospective liabilities).
- (iii) A moratorium is declared in respect of any indebtedness of any Obligor.

15.1.7 Insolvency proceedings and dissolution

Any corporate action, legal proceedings or other procedure step is taken against any Obligor in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than solvent liquidation or reorganisation;
- (ii) a composition, compromise, assignment or arrangement with any creditor, having an adverse effect on the Issuer's ability to perform its payment obligations hereunder;
- (iii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
- (iv) its dissolution,

or any analogous procedure or step is taken in any jurisdiction.

15.1.8 Creditors' process

A substantial proportion of an Obligor's assets are impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets.

15.1.9 Impossibility or illegality

It is or becomes impossible or unlawful for any Obligor to fulfil or perform any of the terms of any Finance Document to which it is a party.

15.1.10 Material adverse change

Any other event or circumstance occurs which, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, would have a Material Adverse Effect.

15.2 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee can, in order to protect the interests of the Bondholders, by notice to the Issuer declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment.

15.3 The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document.

15.4 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee shall by notice to the Issuer declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment if:

- (i) the Bond Trustee receives a demand in writing that a default shall be declared from Bondholders representing at least 1/5 of the Voting Bonds, and the Bondholders' Meeting has not decided on other solutions, or
- (ii) the Bondholders' Meeting has with simple majority decided to declare the Outstanding Bonds in default and due for payment.

In either case the Bond Trustee shall take every measure necessary to recover the amounts due under the Outstanding Bonds.

15.5 In the event that the Bond Trustee pursuant to the terms of Clauses 15.2 or 15.4 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses. The claim derived from the Outstanding Bonds due for payment as a result of an Event of Default shall be calculated at the prices set out in Clause 10.2.

16 **Bondholders' Meeting**

16.1 Authority of the Bondholders' Meeting

16.1.1 The Bondholders' Meeting represents the supreme authority of the Bondholders community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

16.1.2 The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

16.1.3 If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders' Meeting, see however Clause 17.1. Resolutions passed at Bondholders' Meetings shall be binding upon all Bondholders and prevail for all the Bonds.

16.2 Procedural rules for Bondholders' meetings

16.2.1 A Bondholders' Meeting shall be held at the written request of:

- (i) the Issuer;
- (ii) Bondholders representing at least 1/10 of the Voting Bonds;

- (iii) the Exchange, if the Bonds are listed; or
 - (iv) the Bond Trustee.
- 16.2.2 The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.
- 16.2.3 If the Bond Trustee has not summoned a Bondholders' Meeting within ten (10) Business Days after having received a valid request, then the requesting party may summons the Bondholders' Meeting itself.
- 16.2.4 The summons to a Bondholders' Meeting shall be dispatched no later than five (5) Business Days prior to the date of the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders registered in the Securities Depository at the time of distribution. The Exchange shall also be informed if the Bonds are listed.
- 16.2.5 The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- 16.2.6 The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting, by serving notice to it to such effect.
- 16.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.
- 16.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.
- 16.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the numbers of Bondholders and Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 16.2.10 The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.

16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

16.3 Resolutions passed at Bondholders' Meetings

16.3.1 At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Depository. The Bond Trustee may, at its sole discretion, accept other evidence of ownership. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as the Issuer's Bonds. The Issuer's Bonds shall not have any voting rights.

For this purpose, a Bondholder that has a Bond that is nominee registered shall be deemed as the Bondholder of such Bond (instead of the nominee) provided that the Bondholder presents relevant evidence stating that the relevant Bondholder is the Bondholder of the Bond and the amount of Bonds held by such Bondholder.

16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.

16.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.

16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in Clause 16.3.5.

16.3.5 A majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of this Bond Agreement.

16.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.

16.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

16.4 Repeated Bondholders' meeting

16.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The

attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.

16.4.2 A valid resolution may be passed at a repeated Bondholders' meeting even though less than half (1/2) of the Voting Bonds are represented.

16.5 Written Resolutions

16.5.1 Subject to the provisions in this Bond Agreement, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 16.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.

16.5.2 The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.

16.5.3 The summons for the Written Resolution shall be sent to the Bondholders through the VPS and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.

16.5.4 The summons for a Written Resolution shall include:

- (i) instructions as to how to vote to each separate item in the summons (including instructions as to how voting can be done electronically if relevant); and
- (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), such Voting Period to be at least three (3) Business Days but not more than 15 Business Days from the date of the summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 16.4 (*Repeated Bondholders' Meeting*) shall be at least five (5) Business Days but not more than 15 Business Days from the date of the Summons.

16.5.5 Only Bondholders of Voting Bonds registered with the VPS on the relevant record date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee, will be counted in the Written Resolution.

16.5.6 A Written Resolution is passed when the requisite majority set out in Clause 16.3.4 or Clause 16.3.5 (*Resolutions passed at Bondholders' Meeting*) or Clause 16.4.2 (*Repeated Bondholders' Meeting*) has been achieved, based on the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution may also be passed if the sufficient number of negative votes is received prior to the expiry of the Voting Period.

16.5.7 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.

16.5.8 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, and a decision will be made based on the quorum and majority requirements set out in Clause 16.3 (*Resolutions passed at Bondholders' Meeting*) and Clause 16.4 (*Repeated Bondholders' Meeting*).

17 **The Bond Trustee**

17.1 The role and authority of the Bond Trustee

17.1.1 The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set out in this Bond Agreement.

17.1.2 The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders' Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.

17.1.3 The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.

17.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 17.1.3 provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five (5) Business Days following the dispatch of such notification.

17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.

17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

- 17.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.
- 17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.
- 17.1.9 The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.
- 17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.
- 17.2 Liability and indemnity
- 17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.
- 17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.
- 17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.4(i) or 16.2.1 (b), require satisfactory Security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.
- 17.3 Change of Bond Trustee
- 17.3.1 Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 16. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.
- 17.3.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 14, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties

pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

- 17.3.3 The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set out under the terms of this Bond Agreement.

17.4 Appointment of Security Agent

- 17.4.1 The Bond Trustee is appointed to act as Security Agent for the Bonds.

The main functions of the Security Agent may include holding Security on behalf of the Bondholders and monitoring compliance by the Issuer and other relevant parties of their respective obligations under this Bond Agreement and/or the Security Documents with respect to the Security.

Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.

- 17.4.2 The functions, rights and obligations of the Security Agent may be determined by a Security Agent agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require the Obligors and any other parties to any Security Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters.

Any changes to this Bond Agreement necessary or appropriate in connection with the appointment of a Security Agent shall be documented in an amendment to this Bond Agreement, signed by the Bond Trustee.

- 17.4.3 If so desired by the Bond Trustee, any or all of the Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

18 **Miscellaneous**

- 18.1 The community of Bondholders

By virtue of holding Bonds, which are governed by this Bond Agreement (which pursuant to Clause 2.1.1 is binding upon all Bondholders), a community exists between the Bondholders, implying, inter alia, that:

- (i) the Bondholders are bound by the terms of this Bond Agreement;
- (ii) the Bond Trustee has power and authority to act on behalf of, and/or represent; the Bondholders, in all matters, included but not limited to taking any legal or other action, including enforcement of the Bonds and/or any

Security created from time to time by or pursuant to the Security Documents, opening of bankruptcy or other insolvency proceedings;

- (iii) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and
- (iv) this Bond Agreement establishes a community between Bondholders meaning that:
 - (a) the Bonds rank *pari passu* between each other;
 - (b) the Bondholders may not, based on this Bond Agreement, act directly towards the Issuer and may not themselves institute legal proceedings against the Issuer, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;
 - (c) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;
 - (d) the Bondholders may not cancel the Bondholders' community; and
 - (e) the individual Bondholder may not resign from the Bondholders' community.

18.2 Defeasance

18.2.1 The Issuer may, at its option and at any time, elect to have certain obligations discharged (see Clause 18.2.2) upon complying with the following conditions ("**Security and Covenant Defeasance**"):

- (i) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee (the "**Defeasance Pledge**") in such amounts as will be sufficient for the payment of principal (including if applicable premium payable upon exercise of a Call Option) and interest on the Outstanding Bonds to Maturity Date (or redemption upon a exercise of a notified Call Option) or any other amount agreed between the Parties;
- (ii) no Event of Default shall have occurred and be continuing on the date of establishment of the Defeasance Pledge, or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time during any hardening period applicable to the Defeasance Pledge (or the relevant period for non-Norwegian companies) or any other date agreed between the Parties;
- (iii) if the Bonds are secured, the Defeasance Pledge shall be considered as a replacement of the Security established prior to the Defeasance Pledge;
- (iv) the Issuer shall have delivered to the Bond Trustee a certificate signed by its Chief Executive Officer that the Defeasance Pledge was not made by the Issuer with the intent of preferring the Bondholders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and

- (v) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Security and Covenant Defeasance or Defeasance Pledge, including any certificate or legal opinion on (a) the compliance of the conditions of the Security and Covenant Defeasance, (b) that the Defeasance Pledge constitutes a valid, perfected and enforceable Security in favour of the Bond Trustee for the benefit of the Bondholders which will not be subject to any rights of creditors of any Obligor or any bankruptcy, insolvency, reorganisation or similar laws affecting creditors rights generally under the laws of the jurisdiction where the Defeasance Pledge was established and the corporate domicile of the Issuer, (c) any relevant tax issues concerning the Bondholders, (d) any valuation of any assets or (e) any other certificate or opinion regarding the Security and Covenant Defeasance or the Defeasance Pledge.

18.2.2 Upon the exercise by the Issuer of its option under Clause 18.2.1:

- (i) the Obligors shall be released from their obligations under all provisions in Clause 13, except Clauses 13.1.1(i), 13.1.1(vii), (x), (xii) and (xiii), or as otherwise agreed;
- (ii) the Issuer or the relevant Obligor shall not take any actions that may cause the value of the Security created by this Security and Covenant Defeasance to be reduced, and shall at the request of the Bond Trustee execute, or cause to be executed, such further documentation and perform such other acts as the Bond Trustee may reasonably require in order for the Security to remain valid, enforceable and perfected by the Bond Trustee for the account of the Bondholders;
- (iii) the Guarantor(s) shall be discharged from their obligations under the Guarantee(s), and the Guarantee(s) shall cease to have any legal effect, or as otherwise agreed;
- (iv) any Security provided for the Bonds other than the Defeasance Pledge shall be discharged, and the Bond Trustee shall take all steps reasonably possible for it to cause such discharge to be effected, by way of deletion of the relevant Security Interest from the relevant register, notice to third parties or as otherwise required, or as otherwise agreed; and
- (v) all other provisions of this Bond Agreement (except (i)- (iii) above) shall remain fully in force without any modifications, or as otherwise agreed.

18.2.3 All amounts owed by the Issuer hereunder covered by the Defeasance Pledge shall be applied by the Bond Trustee, in accordance with the provisions of this Bond Agreement, against payment to the Bondholders of all sums due to them under this Bond Agreement on the due date thereof.

Any excess funds not required for the payment of principal, premium and interest to the Bondholders (including any expenses, fees etc. due to the Bond Trustee hereunder) shall be returned to the Issuer.

18.3 Limitation of claims

All claims under the Bonds and this Bond Agreement for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of May 18, 1979 No. 18.

18.4 Access to information

18.4.1 This Bond Agreement is available to anyone and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee shall not have any obligation to distribute any other information to the Bondholders or others than explicitly stated in this Bond Agreement. The Issuer shall ensure that a copy of this Bond Agreement is available to the general public until all the Bonds have been fully discharged.

18.4.2 The Bond Trustee shall, in order to carry out its functions and obligations under this Bond Agreement, have access to the Securities Depository for the purposes of reviewing ownership of the Bonds registered in the Securities Depository.

18.5 Amendments

All amendments of this Bond Agreement shall be made in writing, and shall unless otherwise provided for by this Bond Agreement, only be made with the approval of all parties hereto.

18.6 Notices, contact information

18.6.1 Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at Stamdata only. Any such notice or communication shall be deemed to be given or made as follows:

- (i) if by letter via the Securities Depository, when sent from the Securities Depository; and
- (ii) if by publication on Stamdata, when publicly available.

18.6.2 The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.

18.6.3 Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and the Obligors shall be given or made in writing, by letter, e-mail or fax. Any such notice or communication shall be deemed to be given or made as follows:

- (i) if by letter, when delivered at the address of the relevant Party;
- (ii) if by e-mail, when received; and
- (iii) if by fax, when received.

- 18.6.4 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- 18.6.5 When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):
- (i) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.
 - (ii) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.
 - (iii) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.

18.7 Dispute resolution and legal venue

- 18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and any Obligor, shall be governed by Norwegian law.
- 18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and any Obligor, shall, subject to Clause 18.7.3 below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.
- 18.7.3 Clause 18.7.2 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

18.8 Process Agent

The Issuer shall, and shall procure that the Guarantors and Parent, nominate an agent for service of process in Norway for the purpose of serving a writ of summons and/or any other act of process in respect of the courts in Norway, including but not limited to receipt of notices (in Norwegian: *motta varsler*) and acceptance of service of process (in Norwegian: *vedta forkynning*) or any notices as set out in this Bond Agreement.

This Bond Agreement has been executed in two originals, of which the Issuer and the Bond Trustee retain one each.

Attachment 1**COMPLIANCE CERTIFICATE**

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

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

[date]

Dear Sirs,

8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue 2013/2018- ISIN NO 0010683832

We refer to the Bond Agreement for the abovementioned Bond Issue made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer under which a Compliance Certificate shall be issued. This letter constitutes the Compliance Certificate for the period [PERIOD].

Capitalised terms used herein shall have the same meaning as in the Bond Agreement.

With reference to Clause 13.1.2 we hereby certify that:

1. all information contained herein is true and accurate and there has been no change which would have a Material Adverse Effect on the financial condition of the Issuer or the Guarantors since the date of the last accounts or the last Compliance Certificate submitted to you.
2. the covenants set out in Clause 13 are satisfied;
3. all relevant Security is established in accordance with the Bond Agreement;
4. in accordance with Clause 13.6.1, the Retained Amount and the Liquidity as of [date] is XX and YY;
5. in accordance with Clause 13.6.2, the Equity Ratio as of [] is XX.

Copies of our latest consolidated [Financial Statements] / [Interim Accounts] are enclosed together with the latest [Financial Statements] / [Interim Accounts] of the Guarantors.

Yours faithfully,

Latina Offshore Limited

Name of authorised person

Enclosure: [copy of any written documentation]
Attachment 2

FORM OF INCOME AND RELEASE STATEMENT

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

Sent by e-mail to: [Include e-mail] with copy to mail@nordictrustee.com

Dear Sirs,

8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue 2013/2018

We refer to the Bond Agreement between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Capitalised terms used herein shall have the same meaning as in the Bond Agreement. This letter constitutes an Income and Release Statement pursuant to Clause 13.1.1(vi) of the Bond Agreement as further detailed in Appendix 1 [and Appendix 2](#) to this letter.

In accordance with the Income and Release Statement, the Issuer will facilitate a Release Request to the Paying Agent for the following transfers:

- transfer ~~of~~ [from the Parent Earnings Account to the Parent Operating Expense Account](#), Deductible Operating Expenses, Deductible SG&A Costs, ~~[Deductible Withholding Tax], [Implementation Costs], and [Deductible Cost of Receivable~~ [Receivables Financing\]](#) for Rig 1 and Rig 2 ~~to an operating expense account of;~~
- ~~transfer from~~ [the Parent; ~~transfer of~~ \[Earnings Account to the Rigowner Earnings Account\]\(#\), Deductible Capital Expenditures \[and Deductible Bareboat Rate\]\(#\) for Rig 1 and Rig 2 ~~to the Minimum Liquidity Account;~~ and](#)
- transfer ~~of~~ [from the Rigowner Earnings Account to the Interest Retention Account an amount equal to](#) the Deductible Bareboat Rate for Rig 1 and Rig 2 ~~to the Interest Retention Account~~.

Following finalization of ~~such transfers~~ [the above releases](#), the balance ~~of~~ [on](#) the Interest Retention Account will be ~~[...] USD (the "Adjusted Balance"). [ON MONTHLY REPORTING DATE EQQ: In accordance with the Bond Agreement Clause 9.1 and Clause 10.1.1 the Issuer will instruct the Paying Agent to pay the following interest and instalment on the Interest Payment Date:]~~ [as follows:](#)

Adjusted Balance Interest Retention Account prior to releases	[Amount]
Interest to be paid on the Interest Payment Date	[Amount]
Instalment to be paid on the Balance Interest Payment Date Retention Account after releases	[Adjusted Balance — Interest to be paid] Amount]

Latina Offshore Limited

Name of authorised person

Enclosure: [copy of any written documentation]

Appendix 1

[To the Income and Release Statement](#)

RIG 1

[Santa Maria](#)

Reporting Period: [Previous Monthly Reporting Date] to [The Monthly Reporting Date]

Deductible: Amount deductible and subject to release in accordance with Clause 13.5.1

Income	Deferred From last period	Accrued Reporting Period	Received Reporting Period	Deferred to next period
Charter Contract income				
Rate pr. day:	[102,000]	[102,000]	[102,000]	[102,000]
No. of Days:	[Deferred Income]	[]	[]	[Deferred + Accrued - Received]
TOTAL OPERATIONAL INCOME	[]	[]	[]	[Deferred + Accrued - Received]
Cost of Receivables Financing*	[]	[]	[]	[]
Interest income	[]	[]	[]	[]
TOTAL NET INCOME	[]	[]	[]	[Deferred + Accrued - Received]
Costs	Deferred From last period	Incurred Reporting Period	Deductible Reporting Period	Deferred to next period
Operating Expenses**				
Rate pr. day:	[30,000]*	[30,000]*	[30,000]*	[30,000]*
No. of Days:	[Deferred Income]	[Accrued Income]	[Received Income]	[Deferred + Accrued - Received]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
SG&A Costs***				
Rate pr. day:	[12,000 15,000]*	[12,000 15,000]*	[12,000 15,000]*	[12,000]*
No. of Days:	[Deferred Income]	[Accrued Income]	[Received Income]	[Deferred + Accrued - Received]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
Capital Expenditures****				
Rate pr. day:	[5,500]*	[5,500]*	[5,500]*	[5,500]*
No. of Days:	[Deferred Income]	[Accrued Income]	[Received Income]	[Deferred + Accrued - Received]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
Withholding Tax*****				
Total USD	NA[]	NA[]	[Documented-WHT]	NA[Deferred + Incurred - Deductible]
Cost of Receivables Financing Implementation Costs*****				

Total USD	[Paid - Released]	[Paid]	[Deferred + Incurred] **	[Deferred + Incurred] - [Released - Deductible]
TOTAL COST	[]	[]	[]	[Deferred + Incurred] - [Released - Deductible]
	<u>BoP</u>		<u>Adjustments</u>	<u>EOp</u>
<u>Liquidity Buffer Drawn</u>	[]	N/A	[Upon insufficient income]	[]
<u>Liquidity Buffer Added</u>	N/A	N/A	[Upon sufficient income to rebuild previous draws]	[]
LIQUIDITY BUFFER	[]	N/A	[]	[BoP + Adjustments]
Bareboat Rate BAREBOAT RATE/RELEASE	[Total Deferred Income - Total Deferred Cost]	[Total Accrued Income - Total Incurred Cost]	[Total Received Income - Total Deducted Cost - Liquidity Buffer Added]	[Deferred + Incurred] - [Released]

*Maximum Amount [Appendix 2](#)

** Deductible provided sufficient cash available Operating Expenses, SG&A Costs and Capital Expenditure has been deducted from Charter Income Received, if not amount to be deferred and deducted to the next period

*** Shall not exceed 4.9%

[To the Income and Release Statement](#)

RIG 2

[Covadonga](#)

Reporting Period: [Previous Monthly Reporting Date] to [The Monthly Reporting Date]

Deductible: Amount deductible and subject to release in accordance with Clause 13.5.1

Income	Deferred From last period	Accrued Reporting Period	Received Reporting Period	Deferred to next period
Charter Contract income				
Rate pr. day:	[102,000]	[102,000]	[102,000]	[102,000]
No. of Days:	[Deferred Income]	[]	[]	[Deferred + Accrued] - Received]
TOTAL OPERATIONAL INCOME	[]	[]	[]	[Deferred + Accrued - Received]
<u>Cost of Receivables Financing*</u>	[]	[]	[]	[]
<u>Interest income</u>	[]	[]	[]	[]
TOTAL NET INCOME	[]	[]	[]	[Deferred + Accrued - Received]
Costs	Deferred From last period	Incurred Reporting Period	Deductible Reporting Period	Deferred to next period
Operating Expenses**				
Rate pr. day:	[30,000]*	[30,000]*	[30,000]*	[30,000]*
No. of Days:	[Deferred Income]	[Accrued Income]	[Received Income]	[Deferred + Accrued] - Received]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
SG&A Costs***				
Rate pr. day:	[12,000 15,000]*	[12,000 15,000]*	[12,000 15,000]*	[12,000]*
No. of Days:	[Deferred Income]	[Accrued Income]	[Received Income]	[Deferred + Accrued] - Received]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
Capital Expenditures****				
Rate pr. day:	[5,500]*	[5,500]*	[5,500]*	[5,500]*
No. of Days:	[Deferred Income]	[Accrued Income]	[Received Income]	[Deferred + Accrued] -

				Received]
Total USD:	[]	[]	[]	[Deferred + Incurred -Deductible]
Withholding Tax*****				
Total USD	NA []	NA []	[Documented WHT	NA [Deferred + Incurred -Deductible]
Cost of Receivables- Financing Implemen tation Costs*****				
Total USD	[Paid-Released]	[Paid]	[Deferred + Incurred]**	[Deferred + Incurred] -[Released -Deductible]
TOTAL COST	[]	[]	[]	[Deferred + Incurred] -[Released -Deductible]
	<u>BoP</u>		<u>Adjustments</u>	<u>EoP</u>
<u>Liquidity Buffer Drawn</u>	[]	<u>N/A</u>	[<u>Upon insufficient income</u>]	[]
<u>Liquidity Buffer Added</u>	<u>N/A</u>	<u>N/A</u>	[<u>Upon sufficient income to rebuild previous draws</u>]	[]
LIQUIDITY BUFFER	[]	<u>N/A</u>	[]	[<u>BoP + Adjustments</u>]
Bareboat Rate BAREBOAT RATE/RELEASE	[Total Deferred Income - Total Deferred Cost]	[Total Accrued Income - Total Incurred Cost]	[Total Received Income - Total Deducted Cost <u>Liquidity Buffer Added</u>]	[Deferred + Incurred] -[Released]

Notes to Appendix 1 and Appendix 2 of the Income and Release Statement

*~~Maximum Amount~~ Only applicable upon extraordinary events where the Liquidity Buffer is not available

** ~~Deductible provided sufficient cash available Operating Expenses, SG&A Costs and Capital Expenditure has been deducted from Charter Income Received, if not amount to be deferred and deducted to the next period~~ Maximum 30,000 pr. day times number of days accrued during the Reporting Period plus any amount deferred from previous period(s)

*** 12,000 pr. day subject to increase up to maximum 15,000 pr. day equal to increase of charter income above 100,000 pr. day, times the number of days accrued during the Reporting Period plus any amount deferred from previous period(s)

**** Maximum 5,500 pr. day times the number of days accrued during a Reporting Period plus any amount deferred from previous period(s)

*** ~~Shall not~~ Not to exceed 4.9%

***** Professional fees and expenses related to the Amendment Agreements

Attachment 3**FORM OF RELEASE REQUEST**

[The form shall be adjusted per Clause 13.5.2 if Charter Contract with Rigowner]

To: DNB Bank ASA
Dronning Eufemias gate 30
0190 Oslo, Norway
Attn: *[Include name]*

Sent by e-mail to: *[Include e-mail]* with copy to kuo@dnb.no

Copy: Nordic Trustee AS
P.O. Box 1470 Vika
N-0116 Oslo, Norway

Sent by e-mail to: *[Include e-mail]* with copy to mail@nordictrustee.com

[Place], [Date]

Dear Sirs,

~~[The form shall be adjusted in accordance with the Bond Agreement Clause 13.5.2 for a Charter Contract with Rigowner]~~

Appendix 1
Release Request

Santa Maria

1. From: Account number: [account number] ("Parent Earnings Account")
By: Constructora y Perforadora Latina S.A. de C.V
USD [•]

To: Account number: [account number] ("Parent Operating Expense Account")
Holder: Constructora y Perforadora Latina S.A. de C.V
Bank: BVA BANCOMER, S.A. INSTITUTION DE BANCA MULTIPLE, GRUPO BBVA BANCOMER
Text: Deductible Operating Expenses, SG&A Costs, Withholding Tax, the Implementation Costs and Cost of Receivables Financing as per Clause 13.5.1(i) of the Bond Agreement
2. From: Account number: [account number] ("Parent Earnings Account")
By: Constructora y Perforadora Latina S.A. de C.V
USD [•]

To: Account number: [account number] ("Rigowner Earnings Account")
Holder: Santa Maria Offshore Limited
Bank: DNB Bank ASA
Text: The Deductible Capital Expenditure and the Deductible Bareboat Rate as per Clause 13.5.1(i) and Clause 13.5.1(iii) of the Bond Agreement
3. From: Account number: [account number] ("Rigowner Earnings Account")
By: Santa Maria Offshore Limited
USD [•]

To: Account number: [account number] ("Interest Retention Account")
Holder: Latina Offshore Limited
Bank: DNB Bank ASA
Text: Intercompany Loan repayment equal to the Deductible Bareboat Rate as per Clause 13.5.4 and Clause 13.5.1(iii) of the Bond Agreement
- [4.*] From: Account number: [account number] ("Rigowner Earnings Account")
By: Santa Maria Offshore Limited
USD [•]

To: Account number: [account number]
Holder: Santa Maria Offshore Limited
Bank: BVA BANCOMER, S.A. INSTITUTION DE BANCA MULTIPLE, GRUPO BBVA BANCOMER
Text: Release of documented and accrued Capital Expenditure per Clause 13.5.5 of the Bond Agreement]

* To be used for the purpose of any required Capital Expenditure releases

Appendix 2 Release Request

Covadonga

1. From: Account number: [account number] ("Parent Earnings Account")
By: Constructora y Perforadora Latina S.A. de C.V
USD [•]

To: Account number: [account number] ("Parent Operating Expense Account")
Holder: Constructora y Perforadora Latina S.A. de C.V
Bank: BVA BANCOMER, S.A. INSTITUTION DE BANCA MULTIPLE, GRUPO BBVA BANCOMER
Text: Deductible Operating Expenses, SG&A Costs, Withholding Tax, the Implementation Costs and Cost of Receivables Financing as per Clause 13.5.1(i) of the Bond Agreement
2. From: Account number: [account number] ("Parent Earnings Account")
By: Constructora y Perforadora Latina S.A. de C.V
USD [•]

To: Account number: [account number] ("Rigowner Earnings Account")
Holder: La Covadonga Limited
Bank: DNB Bank ASA
Text: The Deductible Capital Expenditure and the Deductible Bareboat Rate as per Clause 13.5.1(i) and Clause 13.5.1(iii) of the Bond Agreement
3. From: Account number: [account number] ("Rigowner Earnings Account")
By: La Covadonga Limited
USD [•]

To: Account number: [account number] ("Interest Retention Account")
Holder: Latina Offshore Limited
Bank: DNB Bank ASA
Text: Intercompany Loan repayment equal to the Deductible Bareboat Rate as per Clause 13.5.4 and Clause 13.5.1(iii) of the Bond Agreement
- [4.*] From: Account number: [account number] ("Rigowner Earnings Account")

By: La Covadonga Limited

USD [•]

To: Account number: [account number]

Holder: La Covadonga Limited

Bank BVA BANCOMER, S.A. INSTITUTION DE BANCA MULTIPLE, GRUPO
BBVA BANCOMER

Text: Release of documented and accrued Capital Expenditure per Clause 13.5.5 of the
Bond Agreement]

* To be used for the purpose of any required Capital Expenditure releases

SCHEDULE 2

CONDITIONS PRECEDENT

- (i) Evidence that the Written Resolutions have been duly passed by the Bondholders.
- (ii) This Agreement (with the agreed form ~~Third~~Fourth Amended and Restated Bond Agreement as an attachment) having been duly executed by the parties thereto.
- ~~(iii) The Operational Management Agreement having been duly executed by the parties thereto.~~
- ~~(iv) The SG&A Agreement having been duly executed by the parties thereto.~~
- ~~(v) Any amendment to the Parent Undertaking having been duly executed by the parties thereto.~~
- ~~(vi) Evidence that any amendments, confirmations or similar in respect of the Security Documents (including all applicable notices, acknowledgements and consents) have been duly executed and perfected by all parties thereto.~~
- ~~(vii) To the extent required, evidence that any amendments to the Bareboat Charters and the other Project Documents have been made on terms reasonably satisfactory the Bond Trustee.~~
- (iii) ~~(viii)~~ Confirmation from the Issuer that no potential Event of Default has occurred or will occur as a result of these amendments (other than any default which will be cured through the amendments set out herein).
- (iv) ~~(ix)~~ Certified copies of all necessary corporate resolutions of the Parent, Holdco and the Obligors to execute this Agreement and any other relevant Finance Documents.
- (v) ~~(x)~~ To the extent required, a power of attorney from the Parent, Holdco and each of the Obligors to authorise relevant individuals to execute the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute the Finance Documents on behalf of each such party.
- (vi) ~~(xi)~~ Certified copies of (i) the Certificate of Incorporation (or other similar official document) for the Parent, Holdco and each of the Obligors, evidencing that it is validly registered and existing and (ii) the Articles of Association (or other similar document) of the Parent, Holdco and each of the Obligors.
- ~~(xii) Evidence that the full Retained Amount has been deposited into the Minimum Liquidity Account.~~
- ~~(xiii) All legal opinions in respect of this Agreement and the ~~Third~~ Amended and Restated Agreement.~~
- (vii) Any other documents or evidence as the Bond Trustee may reasonably require, including legal opinion(s).

SCHEDULE 3CONDITIONS SUBSEQUENT

- (i) Evidence that any amendments, confirmations, ratifications or similar in respect of the Finance Documents (including the Security Documents and all applicable notices, acknowledgements, recordings, registrations (i.e. in the Public Registry of Movable Guarantees) and consents relating thereto) have been duly executed and perfected by all parties thereto.
- (ii) To the extent required, evidence that any amendments to the Bareboat Charters and the other Project Documents have been made on terms reasonably satisfactory the Bond Trustee.
- (iii) Certified copies of all necessary corporate resolutions of the Parent, Holdco and the Obligors to execute any relevant Finance Documents.
- (iv) To the extent required, a power of attorney from the Parent, Holdco and each of the Obligors to authorise relevant individuals to execute the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute the Finance Documents on behalf of each such party.
- (v) ~~(xiv)~~ Payment of all fees (including legal fees) of the Bond Trustee.
- (vi) All legal opinions in respect of this Agreement and the Fourth Amended and Restated Agreement.
- (vii) ~~(xv)~~ Any other documents or evidence as the Bond Trustee may reasonably require, including legal opinion(s).

SCHEDULE 2 – VOTING FORM

Written Bondholders' Resolution

ISIN NO 001068383.2 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 the summons dated 11.06.2019

- In favour** of the Proposal
 Against the Proposal

ISIN ISIN NO 0010683832	Amount of bonds owned
Custodian name	Account number at Custodian
Company	Day time telephone number
	E-mail:

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 and 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.com

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.