

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

To the bondholders in:

- **ISIN NO 001 0720790 – FRN Boa OCV AS Senior Secured Bond Issue 2014/2019 (“OCV Bonds”)**
- **ISIN NO 001 0675051 – FRN Boa SBL AS Senior Secured Bond Issue 2013/2018 (“SBL Bonds”)**
- **ISIN NO 001 0699077 – FRN Boa Offshore AS Senior Unsecured Bond Issue 2013/2018 (“Unsecured Bonds”)**
- **ISIN NO 001 0741895 – FRN Boa Offshore AS Subordinated Callable Bond Issue 2015/2018 (“Subordinated Bonds”)**

Oslo 22 June 2017

Summons to Bondholders’ Meetings

Nordic Trustee ASA acts as bond trustee (the “**Bond Trustee**”) for the above mentioned bond issues (the “**Bond Issues**”) issued by BOA OCV AS with respect to the OCV Bonds, Boa SBL AS with respect to the SBL Bonds and Boa Offshore AS with respect to the Unsecured Bonds and Subordinated Bonds (together the “**Issuers**”).

Capitalised terms used and not otherwise defined herein shall have the same meaning assigned to them in the respective bond agreements dated 6 October 2014 with respect to the OCV Bonds, 17 April 2013 with respect to the SBL Bonds, 13 December 2013 with respect to the Unsecured Bonds, and 13 July 2015 with respect to the Subordinated Bonds (together the “**Bond Agreements**”).

A separate Bondholders' Meeting will be held for each Bond Issue, but for practical purposes these will be held simultaneously.

*The information in this summons (the “**Summons**”) regarding the Issuers, market conditions and described transactions are provided by the Issuers, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.*

1. Background

Reference is made to the announcement from BOA Offshore AS (“**BOFF**”) on 29 November 2016 on behalf of itself and its subsidiaries (together with BOFF, the “**Group**”) and which is attached hereto as Annex 2.

Following the announcement on 29 November 2016, BOFF on behalf of the Group, has carried out simultaneous discussions with its bank creditors (the “**Bank Creditors**”) and certain Bondholders in each of the Bond Issues (the “**ad-hoc Committee**”). The outcome of these discussions constitutes the Proposal (as defined below) and the Issuers have informed the Bond Trustee that the Bank Creditors and the ad-hoc Committee support the Proposal. The ad-hoc Committee consists of the following percentages of holders of Voting Bonds in each of the Bond Issues:

- Boa Unsecured Bond 37.2%
- Boa OCV 66.3%
- Boa SBL 38.8%
- Boa Subordinated Bond 75.3%

The proposed amendments to the Bond Agreements and other Finance Documents are set out in the term sheet with appendices attached hereto as Annex 3 (the “**Term Sheet**”).

In addition to this Summons, reference is made to the “Restructuring proposal and company update” presentation dated 22 June 2017 attached hereto as Annex 4, including a summary of the key elements of the Proposal.

The Issuers will also host a conference call for the Bondholders as further described in Section 4 below.

2. The Proposal

Based on the above, each of the Issuers have resolved to request the Bond Trustee to summon Bondholders' Meetings to propose that the Bondholders of each of the Bond Issues resolve the amendments to the Bond Agreements and other Finance Documents as set out in the Term Sheet (the “**Proposal**”).

Implementation of the Proposal shall be subject to approval of the Proposal by the required majorities of Bondholders in all the Bond Issues and by the respective credit committees (or similar) of each of the Bank Creditors as well as the other conditions set out in the Term Sheet.

3. Further information

BOFF has appointed Pareto Securities AS, Sparebank1 Markets AS as well as the law firm Ro Sommernes advokatfirma DA as its advisers (the “**Advisers**”). For more detailed information about the Issuer or the Proposal, the Advisers can be contacted:

Pareto Securities: Stian Winther: Tel +47 22 87 87 73
Jostein Olsvik Hovind: Tel +47 24 13 39 37

Sparebank1 Markets: Geir Sørflaten: Tel +47 24 13 37 34
Tom Hvammen: Tel +47 24 13 37 79

Ro Sommernes: Håvard Wiker: Tel +47 23 00 34 44
Nils Holger Koefoed: Tel +47 23 00 34 66

The Advisers act solely for the Group and no-one else in connection with the Bond Issues and the Proposal. No due diligence investigations have been carried out by the Advisers with respect to the Issuer, and the Advisers expressly disclaims any and all liability whatsoever in connection with the Proposal (including but not limited to the information contained herein).

For more detailed information and questions to the Issuers, please contact

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

For further questions to the Bond Trustee, please contact Nordic Trustee ASA by mail at mail@nordictrustee.com, Lars Erik Lærum at telephone +47 22 87 94 06 or Olav Slagsvold at telephone +47 22 87 94 45. Bondholders may also contact the legal advisors of the Bond Trustee in Advokatfirmaet BA-HR DA. Please contact Marta Skadal Kvåle at maskv@bahr.no or +47 22 01 66 12.

4. Bondholders' call

The Company will arrange for an information call on Tuesday 27 June 2017, 14:30 hours (Oslo time).

Bondholders who want to participate on the call may do so by contacting the Bond Trustee (at mail@nordictrustee.com) no later than Tuesday 27 June 2017, 12:30 hours (Oslo time) in order to receive call in details from the Bond Trustee (in order to participate each Bondholder must provide evidence satisfactory to the Bond Trustee that it is a Bondholder at the time of the call).

5. Evaluation of the Proposal

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee, and the Bond Trustee emphasises that each Bondholder should cast its vote in the Bondholders' Meeting based on its own evaluation of the Proposal. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly. The Bond Trustee urges each Bondholder to seek advice in order to evaluate the Proposal.

6. Summons for Bondholders' Meetings

The Bondholders are hereby summoned to Bondholders' Meetings (one Bondholders' Meeting for each of the OCV Bonds, the SBL Bonds, the Unsecured Bonds and the Subordinated Bonds):

Time: 7 July 2017 at 13:00 hours (Oslo time)

Place: The premises of Nordic Trustee ASA

Haakon VII's gt 1, 0161 Oslo – 6th floor

Agenda for each of the Bond Issues:

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

It is proposed that the Bondholders' Meetings for each of the OCV Bonds, the SBL Bonds, the Unsecured Bonds and the Subordinated Bonds resolve the following:

"The Bondholders' Meeting approves the Proposal as described in section 2 (the Proposal) of the Summons for this Bondholders' Meeting.

The Bond Trustee is hereby authorized to (i) prepare, negotiate, finalize and enter into the necessary agreements to implement the Proposal and carry out necessary completion work, including agreeing on necessary amendments to the Bond Agreement and any other Finance Documents and (ii) to

consent and agree to further amendments of the terms in the Term Sheet where such amendments are of minor or technical nature or are otherwise consistent with the principles of the Amendments (as defined in the Term Sheet) and in the opinion of the Bond Trustee do not materially and adversely affect the rights or interests of the Bondholders pursuant to the Bond Agreement”.

* * * *

To approve the Proposal, Bondholders representing more than two-thirds of the Voting Bonds represented (in person or by proxy) at each of the Bondholders' Meetings (for each of the Bond Issues) must vote in favour of the Proposal. In order to have a quorum at least ½ of the Voting Bonds must be represented at the relevant Bondholders' Meeting.

If the above resolutions are not adopted by all Bond Issues as proposed herein, the Bond Agreements will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS) as Annex 1 hereto, indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' Meeting. (If the Bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the Bonds, (ii) the aggregate nominal amount of the Bonds and (iii) the account number in VPS on which the Bonds are registered.)

The individual Bondholder may authorise the Nordic Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee to vote, must then be returned to Nordic Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post to mail@nordictrustee.com, +47 22 87 94 10, or Nordic Trustee ASA, PO Box 1470 Vika, 0116 Oslo, Norway).

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

For practical purposes, we request those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to Nordic Trustee, to notify Nordic Trustee by telephone or by e-mail (at set out at the first page of this letter) within 16:00 hours (4 pm) (Oslo time) the Business Day before the meeting takes place.

Yours sincerely

Nordic Trustee ASA


Lars Erik Lærum

Enclosed:

Annex 1 – Bondholder’s Form

Annex 2 – The announcement dated 29 November 2016

Annex 3 – The Term Sheet

Annex 4 – The Restructuring proposal and company update presentation

MeldingsID:	414867
Innsendt dato:	29.11.2016 16:58
UtstederID:	BOAO
Utsteder:	Boa Offshore AS
Instrument:	-
Marked:	XOAM
Kategori:	INNSIDEINFORMASJON
Informasjonspliktig:	Ja
Lagringspliktig:	Nei
Vedlegg:	
Tittel:	BOA OFFSHORE - INITIATES FINANCIAL RESTRUCTURING
Meldingstekst:	The financial situation of Boa Offshore AS and its subsidiaries (the "Boa Group", the "Group" or the "Company") has become significantly worse than anticipated only a few months ago, mainly attributable to i) the OCV market having weakened much more than anticipated, ii) the sales process of the Company's two AHTSs not progressing as planned, and iii) weaker performance of the Company's tug fleet. Consequently the Group's liquidity position is now severe, and certain liquidity covenants are expected to be breached by the end of 4Q16 or during 1Q17. Although a net refund related to the cancellation of two MPSVs ordered at Nantong Mingde Heavy Industry of NOK 445 million was received during 1Q16, the main portion of this cash has been spent on servicing the Group's debt obligations and running the Group's business. The Boa Group has during the last weeks worked on a proposal for a restructuring of the Group's business and balance sheet, which will be presented to and discussed with the Group's largest financial creditors, being banks and bondholders (the "Creditors"), going forward. While such discussions will be ongoing with the Creditors, the Group will continue to operate normally in all material respects, upholding the highest level of service to all its customers and continue to honor all its external suppliers and trade creditors. However, during the restructuring process no interest and amortization will be paid to bondholders and intercompany creditors. Regarding service of financial debt in other group companies, this will depend on the financial position of the relevant group company. «Boa Offshore is now deeply affected by the market situation. The outlook continued to weaken throughout this fall, and our financial situation is such that we have to go to our financial creditors. We will strive to carry out such discussions in an open and constructive way" comments Helge Kvalvik, CEO of Boa Offshore AS.

Boa Offshore AS is owned by Taubatkompaniet AS, which is controlled by Ole T. Bjornevik and his family. Bjornevik comments to the financial restructuring: "The offshore market has developed weaker than expected and we need to prepare for the time it will take before it improves. As a consequence, the Group has to make major changes and adapt to the demanding market conditions, and this unfortunately also means that we now need to discuss with our financial creditors".

The Company has retained Pareto Securities AS and SpareBank 1 Markets AS as financial advisors and Ro Sommernes as legal advisor to assist the Company in this process.

The Company will hold a presentation of the 3Q 2016 figures in a conference call in due course. Further notice will be given in a separate notice.

For further information, please contact:

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

About Boa Offshore:

Boa Offshore is a Norwegian-based global offshore supply vessel owner and operator with a well-diversified fleet of 35 units focused on subsea, barges, tugs, seismic, AHTS, engineering and project management. The company has the most sophisticated semi-submersible barge fleet in the world and holds the global market-leading position for heavy lift barges. The Boa group is an experienced and focused operator with more than 40 years of history.

TERM SHEET

BOA OFFSHORE AS



This term sheet (the "**Term Sheet**") dated 22 June 2017 sets out the main terms for the proposed amendments to the financial arrangements of the Group (as described herein, the "**Amendments**") of Boa Offshore AS ("**BOFF**") and its subsidiaries' (together with BOFF, the "**Group**" and each being a "**Group Company**"). The proposed Amendments includes, i.a., amendments to certain of the Group's secured bank loan facilities entered into by, i.a., Boa Tugs AS, Boa Barges AS, NFDS Offshore 1 AS and NFDS Offshore 2 AS and guaranteed by Taubåtkompaniet AS ("**TBK**") and/or BOFF, the secured bond loan issued by Boa OCV AS ("**Boa OCV**" or "**OCV Issuer**"), the secured bond loan issued by Boa SBL AS ("**Boa SBL**" or "**SBL Issuer**"), the unsecured bond loan issued by BOFF, and the subordinated bond loan issued by BOFF and guaranteed by TBK.

Capitalised terms used in this Term Sheet shall have the meaning ascribed to such terms in Schedule 2 ("**Definitions**") hereto and otherwise as in the respective loan agreements.

This Term Sheet is subject to final Board Approval in BOFF and TBK.

1. SUMMARY OF THE AMENDMENTS

General principles:

The Amendments includes and is based on the following main elements:

- Equity ownership in TBK and in each Group Company to remain as is.
- Creation of two subsidiary "legs" below BOFF – "Boa Bank" and "Boa Bond" structured without interdependencies (save for existing performance guarantees in BOFF and support by BOFF of Management Newco within the annual contingency cap in the BOFF Cost Buffer).
- Conversion or release of intra-group claims within the Group, save for the OCV Internal Loan and the SBL Internal Loan and claims against companies within the Boa Bank leg without recourse to BOFF or the Boa Bond leg, such internal restructuring to be done in cooperation with an auditor and be acceptable to the Bank Creditors and include terms to the effect that BOFF has no material claims against any company in the Boa Bank leg.
- Bank Creditors release all guarantee claims against TBK and BOFF.
- Bondholders to limit claims against BOFF through a rest claim mechanism.
- As a consequence of events of defaults under the Bond Agreements which are continuing, the Secured Bondholders may realise its security over the shares in Boa OCV and Boa SBL at any time by taking possession of the shares in Boa OCV and Boa SBL. The Bond Trustee will continue to hold such right on behalf of the respective Bondholders after the Completion Date.
- Distribution of cash in BOFF and TBK to be based on the pro rata share of claims as per Schedule 3 (the "**Pro Rata Distributions**").
- Management Newco to be set up as part of the "Boa Bank" structure for the operational and commercial management of all Group Companies and their vessels.
- Controlled realisation of values in TBK and its subsidiaries (excluding the Group).

For further details, please see key amendments below.

2. BOND AGREEMENTS –AMENDMENTS	
OCV BONDS	
Issuer:	Boa OCV AS, company reg.no. 984 158 939
Maturity Date:	31 December 2020.
Repayment and Redemption:	No amortizations. Bullet repayment on Maturity Date at par value (plus accrued interests).
Settlement of accrued interest:	Any accrued interest to, but excluding, the Settlement Date (including default interest and coupon claims) shall be settled on the Settlement Date in the form of additional Bonds (“PIK Bonds”). The amount of accrued interest (including default interest) is estimated to be NOK 54,510,819 on 11 July 2017. The PIK Bonds will be paid to the respective holders of the coupon claims on the Settlement Date, which means that if the Bonds have been traded the recipient of the PIK Bonds may not be the same persons or entities as the Bondholders at the time of distribution.
OCV Internal Loan Agreement:	The OCV Internal Loan Agreement shall be amended and restated in accordance with “Settlement of the OCV Internal Loan”, “OCV Rest Claim”, “Amended OCV Internal Loan”, “OCV Legal Recovery Claim”, “Initial Cash Distribution” and “TBK Assets Realization” below.
Settlement of the OCV Internal Loan:	The OCV Internal Loan shall be settled through items (a)-(e) below (the “OCV Internal Loan Components”). Any amount outstanding under the Internal Loan Agreement not settled through the OCV Internal Loan Components shall be written off on the OCV Internal Loan Cancellation Date (for the sake of good order, such portion of the amount outstanding under the OCV Internal Loan Agreement may not under any circumstance be declared due and payable). The amount received by Boa OCV through the OCV Internal Loan Components shall not exceed the amount outstanding under the OCV Internal Loan Agreement immediately prior to completion of the Amendments (appr. NOK 566,000,000 plus accrued interest at the date of this Term Sheet) plus interest accrued on the OCV Rest Claim from time to time. <u>The OCV Internal Loan Components are:</u> (a) the Initial Cash Distribution; (b) the OCV Bonds’ portion of any proceeds from the TBK Assets Realization distributed after the Completion Date, cf. “TBK Assets Realization” below; (c) (unless utilised in full to service the relevant Bank Loan Facilities) the OCV Bonds’ portion of any proceeds from the Gulmar claim released after the Completion Date, cf. “NFDS Offshore 1 Facility and NFDS Offshore 2 Facility” below; (d) the OCV Legal Recovery Claim; and (e) the OCV Rest Claim.
OCV Rest Claim:	In addition to the OCV Internal Loan Components (a)-(d), Boa OCV shall have a claim against BOFF of NOK 132,142,742 (the “ OCV Rest Claim ”) plus interest accrued thereon from the Completion Date.
Amended OCV Internal Loan:	- Any amount outstanding under the OCV Internal Loan shall be cancelled in full and the OCV Internal Loan Agreement being annulled on the date falling 30 years after the Completion Date (the “OCV Internal Loan Cancellation Date”) and/or (if applicable) cancelled in part or in full in accordance with “Adjustment of OCV Internal Loan” below (for the sake of good order, such portion of the amount outstanding under the OCV Internal Loan Agreement may not under any circumstance be declared due and payable); - The OCV Internal Loan shall constitute senior debt obligations of BOFF; - Interest Rate of 1.5% p.a. to be calculated on the applicable outstanding OCV

	Rest Claim and payable quarterly in arrears and being accumulated to the principal (the “OCV Rest Claim PIK Interest”); - The OCV Internal Loan shall be repaid as follows: - o In accordance with “OCV Legal Recovery Claim” and “Initial Cash Distribution” below, but shall for the avoidance of doubt not reduce the OCV Rest Claim or the amount outstanding under the OCV Bonds; - o The relevant portion, cf. Schedule 3, of any proceeds received from the TBK Assets Realization after the Completion Date and (unless utilised in full to service the relevant Bank Loan Facilities) any amount of the Gulmar claim released after the Completion Date shall be paid to Boa OCV and be transferred within 10 days of receipt to the Liquidity Account, but shall for the avoidance of doubt not reduce the OCV Rest Claim or the amount outstanding under the OCV Bonds; and - o The relevant portion, cf. Schedule 3, of all BOFF Cash on each Quarter Date exceeding the BOFF Cash Sweep Threshold shall on a quarterly basis (on each Rest Claim Payment Date) be paid to Boa OCV as repayment of the OCV Rest Claim as per Schedule 3 (the “OCV Rest Claim Cash Sweep”) and be transferred immediately to the Liquidity Account, but shall for the avoidance of doubt not reduce the amount outstanding under the OCV Bonds; and - Bondholders to be entitled to declare the OCV Internal Loan Agreement to be in default and only the OCV Rest Claim due for immediate payment in the event BOFF is in breach of its payment obligations thereunder (subject to five business days remedy period), cross default occurs in respect of the other Rest Claims or other indebtedness in BOFF, or BOFF becomes insolvent or subject to insolvency proceedings (applying the Events of Defaults for the Unsecured Bonds and Subordinated Bonds in Schedule 5 mutatis mutandis).
OCV Legal Recovery Claim:	The OCV Issuer shall have a profit split arrangement in relation to any recovery from the Legal Claims payable to the Group, such right to be governed by the OCV Internal Loan Agreement. The following conditions shall apply: - The OCV Legal Recovery Claim shall expire on the earliest of 1) the OCV Internal Loan Cancellation Date, or 2) the legal processes related to both the Legal Claims have been settled and/or terminated; - The OCV Legal Recovery Claim shall be adjusted (if applicable) in accordance with “Adjustment of OCV Internal Loan” below; and - Any net proceeds received by BOFF from the Legal Claims shall be distributed within 5 business days after receipt by BOFF to Boa OCV as per Schedule 3 (the “Pro Rata Distributions”) and be transferred within 10 days of receipt to the Liquidity Account, but shall for the avoidance of doubt not reduce the OCV Rest Claim or the amount outstanding under the OCV Bonds.
Initial Cash Distribution:	The OCV Issuer shall on the Completion Date receive its pro rata share of the excess cash in BOFF as per Schedule 3 (including the received proceeds from the Gulmar claim, proceeds from the TBK Assets Realization distributable on the Settlement Date expected to be nil), estimated to be appr. NOK 82,251,975. The Initial Cash Distribution to the OCV Issuer to be in the form of partial down-payments of existing claim under the Internal Loan Agreement (after which the remaining claim under the Internal Loan Agreement is to be further reduced to the OCV Rest Claim plus the OCV Internal Loan Components (b)-(d)).
OCV Bond Interest Rate and Payment:	From and including the Settlement Date, the Interest Rate will be 9.75% p.a. calculated on the par value of the OCV Bonds and payable quarterly in arrears on the existing Interest Payment Dates and being settled in the form of additional Bonds (PIK) (the “OCV Bonds Interest”). Day count fraction is “30/360”/ Fixed Rate Day Count

	Fraction.
Account Structure:	The OCV Issuer shall at all times ensure that all cash, earnings and other proceeds follow the below Account Structure: <u>Earnings Account:</u> - To be pledged in favour of the Bond Trustee (on behalf of the OCV Bondholders), but not blocked. - NOK 20,000,000 to be funded into the Earnings Account with proceeds from the Initial Cash Distribution at Completion Date. - All earnings on the vessels shall firstly be paid into the Earnings Account (and to be distributed further to the Liquidity Account according to Account Structure waterfall/thresholds below). - All cash exceeding NOK 25,000,000 standing in the Earnings Account on each Quarter Date to be swept quarterly into the Liquidity Account. <u>CapEx Reserve Account:</u> - To be pledged in favour of the Bond Trustee (on behalf of the OCV Bondholders) and blocked. - NOK 36,000,000 to be funded to the CapEx Reserve Account with proceeds from the Initial Cash Distribution at Completion Date. - Funds to be released from the CapEx Reserve Account for SPS expenses to third parties related to Boa Sub C provided that invoices from third parties are presented and approved by the board member appointed by the OCV Bondholders and such payments are within the pre-agreed budget. <u>Liquidity Account:</u> - To be pledged in favour of the Bond Trustee (on behalf of the OCV Bondholders) and blocked. - Any remaining amount from the Initial Cash Distribution (after funding of Earnings Account and CapEx Reserve Account) payable to the OCV Issuer to be funded to the Liquidity Account at Completion Date, estimated¹ to be appr. NOK 44,899,709. - All other payments or proceeds payable to the OCV Issuer (except for earnings on the vessels which shall be paid directly to the Earnings Account) shall be paid into the Liquidity Account. - The board member appointed by the OCV Bondholders shall be authorised to approve release from the Liquidity Account of up to NOK 7,500,000 in aggregate per Vessel per twelve months from the Completion Date, provided that the amounts are applied towards working capital costs incurred in connection with chartering out (including tender) the relevant Vessel and are payable to third parties, as evidenced by invoices. - Subject to approval by simple majority at a quorate Bondholders' Meeting, funds in the Liquidity Account may be released and applied to cover working capital needs in respect of the vessels, SPS expenses relating to Boa Deep C and/or against redemption of Outstanding Bonds (at par value plus accrued interest on the redeemed amount). - It is intended that the OCV Issuer will request a Bondholders' Meeting approximately nine months after the Completion Date and on an annual basis thereafter to request funds to be released from the Liquidity Account to the Earnings Account for annual working capital on such terms as then approved (first period starting approximately twelve months after the Completion Date).

¹ Estimates based on assumptions made regarding incoming cash and invoices paid until 30 June 2017. Deviations with respect to actual cash and closing date can be expected. Estimate Dependent on one specific receivable of approx NOK 31 million being paid to the OCV Issuer on time prior to closing. If the receivable has not been paid to the OCV Issuer within closing, approx. NOK 28,000,000 will be funded to the Liquidity Account at Completion Date (approx. NOK 16,000,000 of the Initial Cash Distribution from BOFF to the OCV Issuer will then be settled by way of set-off against payables to BOFF which must be settled by the OCV Issuer at the latest on the Completion Date in order to fund the Initial Cash Distribution from BOFF as set out in Schedule 3).

Status of the Bonds and Security:	- The Articles of Association of OCV Issuer to be amended prior to the Completion Date in order for shares issued by the OCV Issuer to be freely transferrable; - PoA to the Bond Trustee to vote for 100% of the shares at general meetings of the OCV Issuer following exercise of the OCV Stock Accession Option or a default under the OCV bond agreement; - Maximum amount under share pledge to be 130% of principal amount outstanding of the OCV Bonds; - Management agreement may be terminated with 3 months prior notice by the Bond Trustee and 12 months prior notice by Management Newco; - Assignment of Charter regardless of contract period, it being understood that Boa OCV shall use its reasonable endeavours to obtain consent and acknowledgement of such assignment; and - Other amendments reasonably required by the Bond Trustee to ensure the security remain as contemplated by the OCV bond agreement and this Term Sheet, including amendments / supplements to mortgages. The secured obligations shall be extended to comprise any future (if any) funding of the OCV Issuer by OCV Bondholders.
Financial Covenants:	No financial covenants to apply.
TBK Assets Realization:	The board of TBK shall prior to the Completion Date provide to the Bond Trustee a confirmation that TBK has initiated and will continue to use its best effort to liquidate all its assets (excl. the Group) in an orderly manner and with the purpose of maximizing any sales proceeds in connection with any such realizations (the “TBK Assets Realization”). The board of TBK shall undertake to provide quarterly updates to the Bond Trustee (for publication on www.stamdata.no) in connection with the quarterly reporting from BOFF on this process (such update may, at TBK’s and BOFF’s discretion, be included in the quarterly reports from BOFF) and undertake that any net proceeds from the TBK Assets Realization shall be distributed to the OCV Issuer, the SBL Issuer, the Unsecured Bondholders and the Subordinated Bondholders according to Schedule 3. For the avoidance of doubt, any net proceeds from the TBK Assets Realization do not reduce the OCV Rest Claim or the amount outstanding under the OCV Bonds. The TBK Assets Realization (ex. realisation of Unsecured Bonds held by Boa Eiendom AS) shall be completed as soon as possible and no later than within 2 years from the Completion Date.
OCV Bondholders’ realisation:	As a consequence of the events of defaults under the OCV Bond Agreement which are continuing, the parties may pursuant to the Norwegian Enforcement Act of 1992 section 1-3(2), first sentence, agree a procedure for enforcement by other means than through the Norwegian enforcement authorities. Accordingly the Bond Trustee (on behalf of the OCV Bondholders) shall have the right to, at any time, realise the security for the OCV Bonds in respect of shares in the OCV Issuer by taking possession of all the shares issued by the OCV Issuer (the “OCV Stock Accession Option”) without any further conditions upon instruction by simple majority of OCV Bondholders in a quorate Bondholders’ Meeting. The OCV Stock Accession Option is considered as realisation on commercially reasonable terms, taking into account (amongst other) that the OCV mortgages are enforceable, the aggregate current market value of the vessels according to information provided by the Group prior to the date of this Term Sheet is NOK 810,000,000, the current market value of the OCV Rest Claim and the other assets of the Group, and the benefits for the Group and the other stakeholders of the Amendments. For the purpose of calculating the value of the shares in the OCV Issuer, the vessels and the OCV Rest Claim at the time of exercising the OCV Stock Accession Option, the aggregate value of the shares in the OCV Issuer and the vessels (the “OCV Stock Accession Option Value”) shall at that point in time be NOK 810,000,000 and the value of the OCV Rest Claim shall at that point in time be nil.

	This right is without prejudice to any other rights and remedies which the Bond Trustee and the Bondholders may have prior to, on or after the date of this Term Sheet and/or the Completion Date in relation to any circumstances or matter, whether or not subsisting at the date of this Terms Sheet or the Completion Date and whether arising under contract, statute or otherwise, and such rights are hereby expressly reserved.
Adjustment of OCV Internal Loan:	Following the OCV Stock Accession Option having been exercised, the OCV Rest Claim and the OCV Legal Recovery Claim shall be adjusted as follows: - Adjustment of OCV Rest Claim: (a) If the Share Value exceeds the amount outstanding under the OCV Bond Issue at that time (plus accrued interest), the OCV Rest Claim shall be reduced to zero. (b) If the Share Value plus the amount outstanding at that time under the OCV Rest Claim exceeds the amount outstanding under the OCV Bond Issue at that time (plus accrued interest), the OCV Rest Claim shall be reduced by the amount exceeding the amount outstanding under the OCV Bond Issue. (c) If the Share Value plus the amount outstanding at that time under the OCV Rest Claim is equal to or below the amount outstanding under the OCV Bond Issue at that time (plus accrued interest), the Rest Claim shall remain as is. - Adjustment of OCV Legal Recovery Claim: - o If (a) or (b) above applies, the proceeds otherwise payable to Boa OCV under the OCV Legal Recovery Claim shall be split between Boa OCV and BOFF, with 50% each. - o The amount allocated to BOFF shall be applied towards payment of a fee to Bjørnevik for handing the legal process in respect of the Legal Recovery Claims. - “Share Value” means for the purpose of this section (i) the fair market value of the Vessels in NOK determined as the arithmetic mean of independent valuations of the Vessels obtained from two (2) independent and well-reputed sale and purchase brokers familiar with the market for the Vessels appointed by the Issuer and approved by the Bond Trustee plus (ii) cash and short term receivables less short term debt (for the avoidance of doubt excluding the OCV Rest Claim). Such valuation shall be made on the basis of a sale for prompt delivery for cash at arm’s length on normal commercial terms as between a willing seller and willing buyer, on an “as is where is” basis, free of any existing charters or other contracts for employment. - For the avoidance of doubt, there shall be no valuation of shares in the OCV Issuer for the purpose of the OCV Stock Accession Option subsequent to the date of this Term Sheet as the OCV Stock Accession Option Value shall apply, and consequently no subsequent settlement with BOFF due to changes to the market value.
OCV Operational Report:	The OCV Issuer shall (a) on the fifteenth calendar day of each month report to its board of directors the cash balances on its bank accounts, and days of up time, revenue and operating expenses on each Vessel for the preceding calendar month and (b) quarterly in connection with publication of its quarterly reports report to the Bond Trustee (for publication on www.stamdata.no) the cash balances on its bank accounts, and days of up time, revenue and operating expenses for the preceding quarter.
Other Covenants – OCV Issuer:	In addition to the covenants in the OCV Bond Agreement, the following restrictions shall apply and the existing exemptions shall to the extent applicable be limited accordingly: - If the Vessels are idle or laid up, the Vessels must be laid-up in the UK,

	Norway, Poland or another jurisdiction acceptable to the Bond Trustee (on behalf of the OCV Bondholders); - No dividends, repayment of any shareholder loans or making of any other distribution to BOFF from the OCV Issuer save for the agreed management fees payable to Management Newco; - No Security for hedging agreements except for cash collateral provided by Boa OCV for permitted FX hedging; - No financial indebtedness except for the OCV Bonds and short term FX hedging for up to twelve months in respect of working capital; - Not grant any loans, guarantees, Security or other financial support save for the OCV Internal Loan; - No investments, acquisitions or capital expenditures; normal operating expenses such as expenses incurred in connection with dry-docking and periodical maintenance permitted to the extent within pre-agreed budget approved by the board member appointed by the OCV Bondholders; normal operating expenses incurred in connection with break-downs permitted; - Not terminate, amend, supplement, modify or give any consent under any Project Documents, in respect of Charters which could reasonably be expected to have a Material Adverse Effect; and - all Charters shall be entered into directly by Boa OCV and the client;
Other Covenants – BOFF:	See Schedule 4.
Redemption premium:	For the avoidance of doubt, the premium applicable in the event of Change of Control Event (Clause 10.3. of the Bond Agreement), Mandatory Redemption (Clause 10.5 of the Bond Agreement, which shall not apply to the OCV Stock Accession Option) and upon acceleration of the OCV Bonds (Clause 15.4) shall be calculated based on the call prices in the original Bond Agreement (for the avoidance of doubt, also for that purpose “Maturity Date” shall mean the amended Maturity Date).
Events of Default:	See Schedule 5.
Potential liquidity funding:	The OCV Bondholders may, subject to approval by the board of directors of Boa OCV, but is not obliged to provide Boa OCV with additional liquidity funding at any time. No further Bondholders’ Meeting shall be required. The OCV Bondholders shall be entitled to participate in such additional funding on equal terms based on their holdings of OCV Bonds, subject to applicable securities laws, and minimum subscription and allocation amount of the equivalent in the relevant currency of EUR 100,000. Regardless of its pro rata proportion of Bonds, each Bondholder may participate with an amount equal to the minimum subscription and allocation amount. The manager appointed for the liquidity funding shall, in consultation with the OCV Issuer, have the discretion in deciding the allocation to Bondholders who subscribe above their pro rata proportion. The subscription period shall be minimum ten business days with settlement date minimum fifteen business days after start of the subscription period. Such liquidity funding may be secured on a super senior priority in the collateral subject to the Security Documents, and rank ahead of the OCV Bonds in terms of payment and priority. An intercreditor agreement based on the following principles may be entered into for this purpose: - amounts available for payments (including amounts recovered by the Security Documents) shall be applied (i) first to meet the fees, costs and expenses of the Bond Trustee; (ii) second in repayment of amounts outstanding under the liquidity funding so that all obligations under the liquidity funding shall be redeemed in full prior to any payments being made to the Bondholders under the existing Bond Agreement; and (iii) third in repayment of amounts outstanding under the existing Bond Agreement; and - subject to 365 days standstill period, the liquidity funding Bondholders may,

	following acceleration of the liquidity funding following an event of default and subject to certain conditions, instruct the Bond Trustee to take enforcement actions permitted in respect of the Security Documents. Any liquidity funding shall be on such terms and in such amount as Boa OCV and the funding OCV Bondholders may approve. Subscription documents, including detailed terms for subscription and the proposed terms for the liquidity funding, will be provided separately to all Bondholders through www.newsweb.no, www.stamdata.no and the Securities Depository. The Bond Trustee shall be authorised to implement such resolution for liquidity funding, including entering into intercreditor agreement, amendments to the OCV Bond Agreement, amendments to Security Documents and other documents.
Written Resolution:	The OCV Bond Agreement shall be amended to allow Bondholders' resolution by written resolution as alternative to Bondholders' Meeting. See wording in Schedule 6.
Finance Documents:	Amendment Agreement to the OCV Bond Agreement and amended and restated OCV Bond Agreement, amendment agreements to Security Documents, amendment and restatement agreement to the OCV Internal Loan Agreement, covenant agreement with BOFF, TBK undertaking.
SBL BONDS	
Issuer:	Boa SBL AS, company reg.no. 990 899 576
Maturity Date:	31 December 2020.
Repayment and Redemption:	No amortizations. Bullet repayment on Maturity Date at par value (plus accrued interests).
Settlement of accrued interest:	Any accrued interest to, but excluding, the Settlement Date (including default interest and coupon claim) shall be settled on the Settlement Date in the form of additional Bonds ("PIK Bonds"). The amount of accrued interest (including default interest) is estimated to be NOK 16,558,402 on 11 July 2017. The PIK Bonds will be paid to the respective holders of the coupon claims on the Settlement Date, which means that if the Bonds have been traded the recipient of the PIK Bonds may not be the same persons or entities as the Bondholders at the time of distribution.
SBL Internal Loan Agreement:	The SBL Internal Loan Agreement shall be amended and restated in accordance with "Settlement of the SBL Internal Loan", "SBL Rest Claim", "Amended SBL Internal Loan", "SBL Legal Recovery Claim", "Initial Cash Distribution" and "TBK Assets Realization" below.
Settlement of the SBL Internal Loan:	The SBL Internal Loan shall be settled through items (a)-(e) below (the "SBL Internal Loan Components"). Any amount outstanding under the Internal Loan Agreement not settled through the SBL Internal Loan Components shall be written off on the SBL Internal Loan Cancellation Date (for the sake of good order, such portion of the amount outstanding under the Internal Loan Agreement may not under any circumstance be declared due and payable). The amount received by Boa SBL through the SBL Internal Loan Components shall not exceed the amount outstanding under the SBL Internal Loan Agreement immediately prior to completion of the Amendments (appr. NOK 114,000,000 plus accrued interest at the date of this Term Sheet) plus interest accrued on the SBL Rest Claim from time to time. <u>The SBL Internal Loan Components are:</u> (a) the Initial Cash Distribution; (b) the SBL Bonds' portion of any proceeds from the TBK Assets Realization distributed after the Completion Date, cf. "TBK Assets Realization" below;

	(c) (unless utilised in full to service the relevant Bank Loan Facilities) the SBL Bonds' portion of any proceeds from the Gulmar claim released after the Completion Date, cf. "NFDS Offshore 1 Facility and NFDS Offshore 2 Facility" below; (d) the SBL Legal Recovery Claim; and (e) the SBL Rest Claim.
SBL Rest Claim:	In addition to the SBL Internal Loan Components (a)-(d), Boa SBL shall have a claim against BOFF of NOK 26,615,323 (the "SBL Rest Claim") plus interest accrued thereon from the Completion Date.
Amended SBL Internal Loan:	- Any amount outstanding under the SBL Internal Loan shall be cancelled in full and the SBL Internal Loan Agreement being annulled on the date falling 30 years after the Completion Date (the "SBL Internal Loan Cancellation Date") and/or (if applicable) cancelled in part or in full in accordance with "Adjustment of SBL Internal Loan" below (for the sake of good order, such portion of the amount outstanding under the SBL Internal Loan Agreement may not under any circumstance be declared due and payable); - The SBL Internal Loan shall constitute non-recourse debt obligations of BOFF; - Interest Rate of 1.5% p.a. to be calculated on the applicable outstanding SBL Rest Claim and payable quarterly in arrears and being accumulated to the principal (the "SBL Rest Claim PIK Interest"); - The SB Internal Loan shall be repaid as follows: - o In accordance with "SBL Legal Recovery Claim" and "Initial Cash Distribution" below, but shall for the avoidance of doubt not reduce the SBL Rest Claim or the amount outstanding under the SBL Bonds; - o The relevant portion, cf. Schedule 3, of any proceeds received from the TBK Assets Realization after the Completion Date and (unless utilised in full to service the relevant Bank Loan Facilities) any amount of the Gulmar claim released after the Completion Date shall be paid to Boa SBL and be transferred within 10 days of receipt to the Liquidity Account, but shall for the avoidance of doubt not reduce the SBL Rest Claim or the amount outstanding under the SBL Bonds; - o The relevant portion, cf. Schedule 3, of all BOFF Cash on each Quarter Date (i.e. 31 March, 30 June, 30 September and 31 October) exceeding the BOFF Cash Sweep Threshold shall on a quarterly basis (on each Rest Claim Payment Date) be paid to Boa SBL as repayment of the SBL Rest Claim as per Schedule 3 (the "SBL Rest Claim Cash Sweep") and be transferred immediately to the Liquidity Account, but shall for the avoidance of doubt not reduce the amount outstanding under the SBL Bonds; and - Bondholders to be entitled to declare the SBL Internal Loan Agreement to be in default and only the SBL Rest Claim due for immediate payment in the event BOFF is in breach of its payment obligations thereunder (subject to five business days remedy period), cross default occurs in respect of the other Rest Claims or other indebtednesses in BOFF or BOFF becomes insolvent or subject to insolvency proceedings (applying the Events of Defaults for the Unsecured Bonds and Subordinated Bonds in Schedule 5 mutatis mutandis).
SBL Legal Recovery Claim:	The SBL Issuer shall have a profit split arrangement in relation to any recovery from the Legal Claims payable to the Group, such right to be governed by the SBL Internal Loan Agreement. The following conditions shall apply: - The SBL Legal Recovery Claim shall expire on the earliest of 1) the SBL Internal Loan Cancellation Date, or 2) the legal processes related to both the Legal Claims have been settled and/or terminated; - The SBL Legal Recovery Claim shall be adjusted (if applicable) in

	accordance with “Adjustment of SBL Internal Loan” below; and - Any net proceeds received by BOFF from the Legal Claims shall be distributed within 5 business days after receipt by BOFF to Boa SBL as per Schedule 3 (the “Pro Rata Distributions”) and be transferred within 10 days of receipt to the Liquidity Account, but shall for the avoidance of doubt not reduce the SBL Rest Claim or the amount outstanding under the SBL Bonds.
Initial Cash Distribution:	The SBL Issuer shall on the date falling two (2) business days after the Completion Date receive its pro rata share of the excess cash in BOFF as per Schedule 3 (including the received proceeds from the Gulmar claim, proceeds from the TBK Assets Realization distributable on the Settlement Date expected to be nil), estimated to be appr. NOK 13,771,599. The Initial Cash Distribution to the SBL Issuer to be in the form of partial down-payments of existing claim under the Internal Loan Agreement (after which the remaining claim under the Internal Loan Agreement is to be further reduced to the SBL Rest Claim plus the SBL Internal Loan Components (b)-(d)).
SBL Bond Interest Rate and Payment:	From and including the Settlement Date, the Interest Rate will be 9.5% p.a. calculated on the par value of the SBL Bonds and payable quarterly in arrears on the existing Interest payment Dates and being settled in the form of additional Bonds (PIK) (the “SBL Bonds Interest”).
Account Structure:	The SBL Issuer shall at all times ensure that all cash, earnings and other proceeds follow the below Account Structure: <u>Earnings Account:</u> - To be pledged in favour of the Bond Trustee (on behalf of the SBL Bondholders), but not blocked. - All existing cash in in the SBL Issuer at Completion Date up to NOK 25,000,000 to be deposited into the Earnings Account and any exceeding amount into the CapEx Reserve Account and the Liquidity Account (as applicable). - All earnings on the vessels shall firstly be paid into the Earnings Account (and to be distributed further to the Liquidity Account according to Account Structure waterfall/thresholds below). - All cash exceeding NOK 25,000,000 standing in the Earnings Account on each Quarter Date to be swept quarterly into 1) firstly, the CapEx Reserve Account and 2) secondly, following the CapEx Reserve Account being funded with NOK 12,000,000, into the Liquidity Account. <u>CapEx Reserve Account:</u> - To be pledged in favour of the Bond Trustee (on behalf of the SBL Bondholders) and blocked. - NOK 12,000,000 to be funded to the CapEx Reserve Account with existing cash in in the SBL Issuer at Completion Date and/or proceeds from the Initial Cash Distribution at Completion Date. - Following the Completion Date, the CapEx Reserve Account to be further built up to cover the Boa Thalassa and Boa Galatea SPS costs of NOK 12,000,000 million in total. - Funds to be released from the CapEx Reserve Account for SPS expenses to third parties related to Boa Thalassa and Boa Galatea respectively provided that invoices from third parties are presented and approved by the board member appointed by the SBL Bondholders and such payments are within the pre-agreed budget. <u>Liquidity Account:</u> - To be pledged in favour of the Bond Trustee (on behalf of the SBL Bondholders) and blocked. - Any remaining amount from the Initial Cash Distribution and existing cash in

	in the SBL Issuer at Completion Date (after funding of Earnings Account and CapEx Reserve Account) payable to the SBL Issuer to be funded to the Liquidity Account at Completion Date, estimated² to be appr. NOK 23,159,075. - All payments or proceeds payable to the SBL Issuer (except for earnings on the vessels which shall be paid directly to the Earnings Account) shall firstly be paid into the Liquidity Account. - The board member appointed by the SBL Bondholders shall be authorised to approve release from the Liquidity Account of up to NOK 7,500,000 in aggregate per Vessel per twelve months from the Completion Date, provided that the amounts are applied towards working capital costs incurred in connection with chartering out (including tender) the relevant Vessel and are payable to third parties. - Subject to approval by simple majority at a quorate Bondholders' Meeting, funds in the Liquidity Account may be released and applied to cover working capital needs in respect of the vessels and/or against redemption of Outstanding Bonds (at par value plus accrued interest on the redeemed amount).
Status of the Bonds and Security:	- The Bond Trustee may vote for 100% of the shares at general meetings of the SBL Issuer following exercise of the SBL Stock Accession Option or a default under the SBL bond agreement; - Management agreement may be terminated with 3 months prior notice by the Bond Trustee and 12 months prior notice by Management Newco; and - Other amendments reasonably required by the Bond Trustee to ensure the security remain as contemplated by the SBL bond agreement and this Term Sheet, including amendments / supplements to mortgages. The secured obligations shall be extended to comprise any future (if any) funding of the SBL Issuer by SBL Bondholders.
Financial Covenants:	No financial covenants to apply.
TBK Assets Realization:	The board of TBK shall prior to the Completion Date provide a satisfactory (to the Trustee) confirmation that TBK has initiated and will continue to use its best effort to liquidate all its assets (excl. BOFF) in an orderly manner and with the purpose of maximizing any sales proceeds in connection with any such realizations (the “TBK Assets Realization”). The board of TBK shall undertake to provide quarterly updates to the Bond Trustee (for publication on www.stamdata.no) in connection with the quarterly reporting from BOFF on this process (such update may, at TBK's and BOFF's discretion, be included in the quarterly reports from BOFF) and undertake that any net proceeds from the TBK Assets Realization shall be distributed to the OCV Issuer, the SBL Issuer, the Unsecured Bondholders and the Subordinated Bondholders according to Schedule 3. For the avoidance of doubt, any net proceeds from the TBK Assets Realization is a part of the Initial Cash Distribution and do therefore not reduce the SBL Rest Claim or the amount outstanding under the SBL Bonds. The TBK Assets Realization (ex. realisation of Unsecured Bonds held by Boa Eiendom AS) shall be completed as soon as possible and no later than within 2 years from the Completion Date.
SBL Bondholders' realisation:	As a consequence of the events of defaults under the SBL Bond Agreement which are continuing, the parties may pursuant to the Norwegian Enforcement Act of 1992 section 1-3(2), first sentence, agree a procedure for enforcement by other means than through the Norwegian enforcement authorities. Accordingly the Bond Trustee (on behalf of the SBL Bondholders) shall have the right to, at any time, realise the security for the SBL Bonds in respect of shares in the SBL Issuer by taking possession of all the

² Estimates based on assumptions made regarding incoming cash and invoices paid until 30 June 2017. Deviations with respect to actual cash and closing date can be expected.

	shares issued by the SBL Issuer (the “SBL Stock Accession Option”) without any further conditions upon instruction by simple majority of SBL Bondholders in a quorate Bondholders’ Meeting. The SBL Stock Accession Option is considered as realisation on commercially reasonable terms, taking into account (amongst other) that the SBL mortgages are enforceable, the aggregate current market value of the vessels according to information provided by the Group prior to the date of this Term Sheet is NOK 240,000,000 the current market value of the SBL Rest Claim and the other assets of the Group, and the benefits for the Group and the other stakeholders of the Amendments. For the purpose of calculating the value of the shares in the SBL Issuer, the vessels and the SBL Rest Claim at the time of exercising the SBL Stock Accession Option, the aggregate value of the shares in the SBL Issuer and the vessels shall at that point in time be NOK 240,000,000 and the value of the SBL Rest Claim shall at that point in time be nil. This right is without prejudice to any other rights and remedies which the Bond Trustee and the Bondholders may have prior to, on or after the date of this Term Sheet and/or the Completion Date in relation to any circumstances or matter, whether or not subsisting at the date of this Terms Sheet or the Completion Date and whether arising under contract, statute or otherwise, and such rights are hereby expressly reserved.
Adjustment of SBL Internal Loan:	Following the SBL Stock Accession Option having been exercised, the SBL Rest Claim and the SBL Legal Recovery Claim shall be adjusted as follows: - Adjustment of SBL Rest Claim: (a) If the Share Value exceeds the amount outstanding under the SBL Bond Issue at that time (plus accrued interest), the SBL Rest Claim shall be reduced to zero. (b) If the Share Value plus the amount outstanding at that time under the SBL Rest Claim exceeds the amount outstanding under the SBL Bond Issue at that time (plus accrued interest), the SBL Rest Claim shall be reduced by the amount exceeding the amount outstanding under the SBL Bond Issue. (c) If the Share Value plus the amount outstanding at that time under the SBL Rest Claim is equal to or below the amount outstanding under the SBL Bond Issue at that time (plus accrued interest), the Rest Claim shall remain as is. - Adjustment of SBL Legal Recovery Claim: - o If (a) or (b) above applies, the proceeds otherwise payable to Boa SBL under the SBL Legal Recovery Claim shall be split between Boa OCV and BOFF, with 50% each. - o The amount allocated to BOFF shall be applied towards payment of a fee to Bjørnevik for handing the legal process in respect of the Legal Recovery Claims. - “Share Value” means for the purpose of this section (i) the fair market value of the Vessels in NOK determined as the arithmetic mean of independent valuations of the Vessels obtained from two (2) independent and well-reputed sale and purchase brokers familiar with the market for the Vessels appointed by the Issuer and approved by the Bond Trustee plus (ii) cash and short term receivables less short term debt (for the avoidance of doubt excluding the SBL Rest Claim). Such valuation shall be made on the basis of a sale for prompt delivery for cash at arm’s length on normal commercial terms as between a willing seller and willing buyer, on an “as is where is” basis, free of any existing charters or other contracts for employment. - For the avoidance of doubt, there shall be no valuation of shares in the SBL Issuer for the purpose of the SBL Stock Accession Option subsequent to the date of this Term Sheet as the SBL Stock Accession Option Value shall apply,

	and consequently no subsequent settlement with BOFF due to changes to the market value.
SBL Operational Report:	The SBL Issuer shall (a) on the fifteenth calendar day of each month report to its board of directors the cash balances on its bank accounts, and days of up time, revenue and operating expenses on each Vessel for the preceding calendar month and (b) quarterly in connection with publication of its quarterly reports report to the Bond Trustee (for publication on www.stamdata.no) the cash balances on its bank accounts, and days of up time, revenue and operating expenses for the preceding quarter.
BOFF SBL Call Option:	Boa SBL shall have the right to redeem the SBL Bonds (all or nothing) at any time at a price equal to par value (plus accrued interests) with a 30 business days' notice period. The call option may not be exercised following the SBL Stock Accession Option being exercised.
Other Covenants – SBL Issuer:	In addition to the covenants in the SBL Bond Agreement, the following restrictions shall apply and the existing exemptions shall to the extent applicable be limited accordingly: - If the Vessels are idle or laid up, the Vessels must be laid-up in the UK, Norway, Poland or another jurisdiction acceptable to the Bond Trustee (on behalf of the SBL Bondholders); - No dividends, repayment of any shareholder loans or making of any other distribution to BOFF from the SBL Issuer save for the agreed management fees payable to Management Newco; - No disposal of business (except for sale of vessels with corresponding mandatory redemption); - No financial indebtedness except for the SBL Bonds and short term FX hedging for up to twelve months in respect of working capital; - No loans, guarantees or other financial support from the SBL Issuer save for the Internal Loan; - No security over any of the assets of the SBL Issuer, except for the security for the Bond Issue; - No investments, acquisitions or capital expenditures; normal operating expenses such as expenses incurred in connection with dry-docking, break downs and periodical maintenance permitted to the extent within pre-agreed budget approved by the board member appointed by the SBL Bondholders; normal operating expenses incurred in connection with break-downs permitted; - Not terminate, amend, supplement, modify or give any consent under any Project Documents, in respect of Charters which could reasonably be expected to have a Material Adverse Effect; and - No change of flag of the Vessels.
Other Covenants – BOFF:	See Schedule 4.
Events of Default:	See Schedule 5.
Potential liquidity funding:	The SBL Bondholders may, subject to approval by the board of directors of BOA SBL, but is not obliged to provide Boa SBL with additional liquidity funding at any time. No further Bondholders' Meeting shall be required. The SBL Bondholders shall be entitled to participate in such additional funding on equal terms based on their holdings of SBL Bonds, subject to applicable securities laws, and minimum subscription and allocation amount of the equivalent in the relevant currency of EUR 100,000. Regardless of its pro rata proportion of Bonds, each Bondholder may participate with an amount equal to the minimum subscription and allocation amount. The manager appointed for the liquidity funding shall, in consultation with the SBL Issuer, have the discretion in deciding the allocation to Bondholders who subscribe above their pro rata proportion. The subscription period shall be minimum ten business days with settlement date

	minimum fifteen business days after start of the subscription period. Such liquidity funding may be secured on a super senior priority in the collateral subject to the Security Documents, and rank ahead of the SBL Bonds in terms of payment and priority. An intercreditor agreement based on the following principles may be entered into for this purpose: - amounts available for payments (including amounts recovered by the Security Documents) shall be applied (i) first to meet the fees, costs and expenses of the Bond Trustee; (ii) second in repayment of amounts outstanding under the liquidity funding so that all obligations under the liquidity funding shall be redeemed in full prior to any payments being made to the Bondholders under the existing Bond Agreement; and (iii) third in repayment of amounts outstanding under the existing Bond Agreement; and - subject to 365 days standstill period, the liquidity funding Bondholders may, following acceleration of the liquidity funding following an event of default and subject to certain conditions, instruct the Bond Trustee to take enforcement actions permitted in respect of the Security Documents. Any liquidity funding shall be on such terms and in such amount as Boa SBL and the funding SBL Bondholders may approve. Subscription documents, including detailed terms for subscription and the proposed terms for the liquidity funding, will be provided separately to all Bondholders through www.newsweb.no, www.stamdata.no and the Securities Depository. The Bond Trustee shall be authorised to implement such resolution for liquidity funding, including entering into intercreditor agreement, amendments to the SBL Bond Agreement, amendments to Security Documents and other documents.
Written Resolution:	The SBL Bond Agreement shall be amended to allow Bondholders' resolution by written resolution as alternative to Bondholders' Meeting. See wording in Schedule 6.
Finance Documents:	Amendment Agreement to the SBL Bond Agreement and amended and restated SBL Bond Agreement, amendment agreements to Security Documents, amendment and restatement agreement to the SBL Internal Loan Agreement, covenant agreement with BOFF, TBK undertaking.
UNSECURED BONDS	
Issuer:	Boa Offshore AS, company reg.no. 926 265 156
Settlement of accrued interest:	Any accrued interest to, but excluding, the Settlement Date (including default interest and coupon claim) shall be settled on the Settlement Date in the form of additional Bonds (PIK). The amount of accrued interest (including default interest) is estimated to be NOK 33,141,650 on 11 July 2017. The PIK Bonds will be paid to the respective holders of the coupon claims on the Settlement Date, which means that if the Bonds have been traded the recipient of the PIK Bonds may not be the same persons or entities as the Bondholders at the time of distribution.
Unsecured Bond Agreement:	The Unsecured Bond Agreement shall be amended and restated in accordance with this Term Sheet.
Settlement of the Unsecured Bonds – limited recourse:	Following the Completion Date, the Unsecured Bondholders will have limited recourse to the Issuer. The Unsecured Bonds shall be settled through items (a)-(e) below (the “ Unsecured Bond Components ”). Any amount outstanding under the Unsecured Bond Agreement not settled through the Unsecured Bond Components shall be written off on the Unsecured Rest Claim Cancellation Date (for the sake of good order, such portion of the amount outstanding under the Unsecured Bond Agreement may not under any circumstance be declared due and payable). The amount received by the Unsecured Bondholders through the Unsecured Bond Components shall not exceed the amount outstanding under the Unsecured Bond Agreement immediately prior to completion of the Amendments (appr. NOK 499,000,000 plus accrued interest at the

	date of this Term Sheet) plus interest accrued on the Unsecured Rest Claim from time to time. <u>The Unsecured Bond Components are:</u> (a) the Initial Cash Distribution; (b) the Unsecured Bonds' portion of any proceeds from the TBK Assets Realization distributed after the Completion Date, cf. "TBK Assets Realization" below; (c) (unless utilised in full to service the relevant Bank Loan Facilities) the Unsecured Bonds' portion of any proceeds from the Gulmar claim released after the Completion Date, cf. "NFDS Offshore 1 Facility and NFDS Offshore 2 Facility" below; (d) the Unsecured Legal Recovery Claim; and (e) the Unsecured Rest Claim. For the purpose of facilitating distributions to the Unsecured Bondholders in accordance with this Term Sheet, the amount outstanding under the Unsecured Bond Agreement will remain as is until the Unsecured Rest Claim Cancellation Date notwithstanding the claim thereunder being on limited recourse against the Issuer, The amount outstanding will be reduced upon receipt of payments by the Unsecured Bondholders.
Unsecured Rest Claim:	In addition to the Unsecured Bond Components (a)-(d), the Unsecured Bondholders shall have a claim against BOFF of NOK 116,500,403 (the "Unsecured Rest Claim") plus interest accrued thereon.
Amended Unsecured Bonds:	- No fixed amortizations on the Unsecured Bonds; - The Unsecured Amended Bond Agreement shall provide for the following cash sweep mechanisms: - o The relevant portion, cf. Schedule 3, of (i) any proceeds received from the TBK Assets Realization after the Completion Date, (ii) (unless utilised in full to service the relevant Bank Loan Facilities) any amount of the Gulmar claim released after the Completion Date and (iii) any proceeds received by BOFF from the Legal Claims shall within 10 days of receipt be paid to the Unsecured Bondholders, but shall for the avoidance of doubt not reduce the Unsecured Rest Claim; - o The relevant portion, cf. Schedule 3, of all BOFF Cash on each Quarter Date exceeding the BOFF Cash Sweep Threshold shall on a quarterly basis (on each Rest Claim Payment Date) be used to repay the Unsecured Rest Claim at par value plus accrued interest as per Schedule 3; and - o the payments shall be applied as part repayment of the Unsecured Bonds (at par value plus accrued interest on the redeemed amount) (for the sake of good order, such portion of the amount outstanding under the Unsecured Bond Agreement may not under any circumstance be declared due and payable); - Any amount outstanding under the Unsecured Bonds shall be cancelled in full and the Unsecured Bond Agreement being annulled on the date falling 30 years after the Completion Date (the "Unsecured Rest Claim Cancellation Date"); - The Unsecured Bonds shall constitute senior debt obligations of the Issuer; - Interest Rate of 1.5% p.a. to be calculated on the applicable outstanding Unsecured Rest Claim and payable quarterly in arrears and being settled in the form of additional Bonds (PIK) (the "Unsecured Rest Claim PIK Interest"); and - The covenants in Schedule 4 shall apply.
Unsecured Legal Recovery Claim:	The Issuer shall have a profit split arrangement in relation to any recovery from the Legal Claims payable to the Group, such right to be governed by the Unsecured Bond Agreement.

	The following conditions shall apply: - The Unsecured Legal Recovery Claim shall expire on the earliest of 1) the Unsecured Rest Claim Cancellation Date, or 2) the legal processes related to both the Legal Claims have been settled and/or terminated; and - Any proceeds received by BOFF from the Legal Claims shall be distributed as per Schedule 3 in accordance with “Amended Unsecured Bonds” above.
Initial Cash Distribution:	The Unsecured Bondholders shall on the Settlement Date receive its pro rata share of the excess cash in BOFF as per Schedule 3 (including the received proceeds from the Gulmar claim, proceeds from the TBK Assets Realization distributable on the Settlement Date expected to be nil), estimated to be appr. NOK 75,601,123 for the Unsecured Bonds. The Initial Cash Distribution to the Unsecured Bondholders to be in the form of partial down payments of existing claim under the Unsecured Bond Agreement, but shall for the avoidance of doubt not reduce the Unsecured Rest Claim.
Financial Covenants:	No financial covenants to apply.
TBK Assets Realization:	The board of TBK shall prior to the Completion Date provide to the Bond Trustee a confirmation that TBK has initiated and will continue to use its best effort to liquidate all its assets (excl. the Group) in an orderly manner and with the purpose of maximizing any sales proceeds in connection with any such realizations (the “TBK Assets Realization”). The board of TBK shall undertake to provide quarterly updates to the Bond Trustee (for publication on www.stamdata.no) in connection with the quarterly reporting from BOFF on this process (such update may, at TBK’s and BOFF’s discretion, be included in the quarterly reports from BOFF) and undertake that any net proceeds from the TBK Assets Realization shall be distributed to the OCV Issuer, the SBL Issuer, the Unsecured Bondholders and the Subordinated Bondholders according to Schedule 3. For the avoidance of doubt, any net proceeds from the TBK Assets Realization do not reduce the Unsecured Rest Claim. The TBK Assets Realization (ex realisation of Unsecured Bonds held by Boa Eiendom AS) shall be completed as soon as possible and no later than within 2 years years from the Completion Date. BOFF shall use all reasonable efforts to expedite the recovery of its claim against TBK through the TBK Assets Realization.
Other Covenants:	See Schedule 4.
Written Resolution:	The Unsecured Bond Agreement shall be amended to allow Bondholders’ resolution by written resolution as alternative to Bondholders’ Meeting. See wording in Schedule 6.
Events of Default:	See Schedule 5.
Finance Documents:	Amendment agreement to the Unsecured Bond Agreement and amended and restated Unsecured Bond Agreement, the TBK undertaking.
SUBORDINATED BONDS	
Issuer:	Boa Offshore AS, company reg.no. 926 265 156
Settlement of accrued interest:	Any accrued interest to, but excluding, the Settlement Date (including default interest and coupon claim) shall be settled on the Settlement Date in the form of additional Bonds (PIK). The amount is estimated to be NOK 10,520,897 on 11 July 2017. The PIK Bonds will be paid to the respective holders of the coupon claims on the Settlement Date, which means that if the Bonds have been traded the recipient of the PIK Bonds may not be the same persons or entities as the Bondholders at the time of distribution.

Subordinated Bond Agreement:	The Subordinated Bond Agreement shall be amended and restated in accordance with this Term Sheet.
Settlement of the Subordinated Bonds – limited recourse:	Following the Completion Date, the Subordinated Bondholders will have limited recourse to the Issuer and TBK. The Subordinated Bonds shall be settled through items (a) and (b) below (the “Subordinated Bond Components”). Any amount outstanding under the Subordinated Bond Agreement not settled through the Subordinated Bond Components shall be written off on the Subordinated Rest Claim Cancellation Date (for the sake of good order, such portion of the amount outstanding under the Subordinated Bond Agreement may not under any circumstance be declared due and payable). The amount received by the Subordinated Bondholders through the Subordinated Bond Components shall not exceed the amount outstanding under the Subordinated Bond Agreement immediately prior to completion of the Amendments (appr. NOK 61,060,000 plus accrued interest at the date of this Term Sheet) plus interest accrued on the Subordinated Rest Claim from time to time. <u>The Subordinated Bond Components are:</u> (a) the Subordinated Bonds’ portion of any proceeds from the TBK Assets Realization, cf. “TBK Assets Realization” below; and (b) the Subordinated Rest Claim. For the purpose of facilitating distributions to the Subordinated Bondholders in accordance with this Term Sheet, the amount outstanding under the Subordinated Bond Agreement will remain as is until the Subordinated Rest Claim Cancellation Date notwithstanding the claim thereunder being on limited recourse against the Issuer and TBK. The amount outstanding will be reduced upon receipt of payments by the Subordinated Bondholders and in accordance with “TBK Asset Realization” below.
Subordinated Rest Claim:	In addition to the Subordinated Components (a), the Subordinated Bondholders shall have a claim against BOFF of NOK 14,241,532 (the “ Subordinated Rest Claim ”) plus interest accrued thereon.
Amended Subordinated Bonds:	- No fixed amortizations on the Subordinated Rest Claim; - The Subordinated Bond Agreement shall provide for the following cash sweep mechanisms: - o The relevant portion, cf. Schedule 3, of any proceeds received from the TBK Assets Realization after the Completion Date shall within 10 days of receipt be paid by TBK to the Subordinated Bondholders, but shall for the avoidance of doubt not reduce the Subordinated Rest Claim; - o Following full and final repayments of the Senior Rest Claims, the relevant portion, cf. Schedule 3, of all BOFF Cash on each Quarter Date exceeding the BOFF Cash Sweep Threshold shall on a quarterly basis (on each Rest Claim Payment Date) be used to repay the Subordinated Rest Claim at par value plus accrued interest (the “Subordinated Rest Claim Cash Sweep”); and - o The payments shall be applied as part repayment of the Subordinated Bonds (at par value plus accrued interest on the redeemed amount) (for the sake of good order, such portion of the amount outstanding under the Subordinated Bond Agreement may not under any circumstance be declared due and payable); - Any amount outstanding under the Subordinated Rest Claim shall be cancelled in full and the Subordinated Bond Agreement being annulled on the date falling 30 years after the Completion Date (the “Subordinated Rest Claim Cancellation Date”);

	- The Subordinated Rest Claim shall be fully subordinated to the Senior Rest Claims; - Interest Rate of 1.5% p.a. to be calculated on the applicable outstanding Subordinated Rest Claim and payable quarterly in arrears and being settled in the form of additional Bonds (PIK) (the “Subordinated Rest Claim PIK Interest”); and - The covenants in Schedule 4 shall apply.
Proceeds from TBK Assets Realization:	As and when received by TBK, the Subordinated Bondholders shall receive its pro rata share of the net proceeds from the TBK Assets Realization as per Schedule 3 (proceeds from the TBK Assets Realization distributable on the Settlement Date expected to be nil).
Financial Covenants:	No financial covenants to apply.
TBK Assets Realization:	The board of TBK shall prior to the Completion Date provide to the Bond Trustee a confirmation that TBK has initiated and will continue to use its best effort to liquidate all its assets (excl. the Group) in an orderly manner and with the purpose of maximizing any sales proceeds in connection with any such realizations (the “TBK Assets Realization”). TBK shall in the Subordinated Bond Agreement undertake to (i) provide quarterly updates the Bond Trustee (for publication on www.stamdata.no) in connection with the quarterly reporting from BOFF on this process (such update may, at TBK’s and BOFF’s discretion, be included in the quarterly reports from BOFF) and (ii) undertake that any net proceeds from the TBK Assets Realization shall be distributed to the OCV Issuer, the SBL Issuer, the Unsecured Bondholders and the Subordinated Bondholders according to Schedule 3. For the avoidance of doubt, any net proceeds from the TBK Assets Realization do not reduce the Subordinated Rest Claim. The TBK Assets Realization (ex. realisation of Unsecured Bonds held by Boa Eiendom AS) shall be completed as soon as possible and no later than within 2 years from the Completion Date. When the TBK Asset Realization has been completed and all proceeds thereof been distributed among the bondholders, the Subordinated Bondholders shall have no further claim against TBK and the aggregate amount outstanding under the Subordinated Bonds shall be reduced to the amount outstanding under the Subordinated Rest Claim (plus accrued interest).
Other Covenants:	See Schedule 4.
Written Resolution:	The Subordinated Bond Agreement shall be amended to allow Bondholders’ resolution by written resolution as alternative to Bondholders’ Meeting. See wording in Schedule 6.
Events of Default:	See Schedule 5.
Finance Documents:	Amendment agreement to the Subordinated Bond Agreement and amended and restated Subordinated Bond Agreement.
3. BANK LOAN FACILITIES – KEY AMENDMENTS	
NFDS OFFSHORE 1 FACILITY AND NFDS OFFSHORE 2 FACILITY	
Borrower:	NFDS Offshore 1 Facility: NFDS Offshore 1 AS, company reg.no. 999 255 108 NFDS Offshore 2 Facility: NFDS Offshore 2 AS, company reg.no. 912 373 185
Principal Amount:	No amendments.
Repayment and	Final maturities 31 Desember 2020. Mandatory redemption on sale of Vessels.

Redemption:	All amortisations extended/postponed to the earlier of (i) 31 December 2020 and (ii) divestment of Vessels (Boa Bison and Boa Jarl) and subject to break costs as regulated in the existing Loan Facility Agreements.
Interest Rate and Payment:	Boa Barges AS to be responsible for interest payments to the earlier of (i) divestment of Vessels and (ii) 12 months following Amendments.
Initial Cash Distribution:	Pro rata share (of total claims pre-Amendments, being approx. 23 %; 15% to the NFDS Offshore 1 Facility and 8 % to the NFDS Offshore 2 Facility) of Gulmar cash in BOFF to be provided to NFDS Offshore 1 AS and NFDS Offshore 2 AS no later than Completion Date. Such funds to be distributed to blocked and pledged accounts of each respective borrower, and any remaining parts thereof may only be released (pro rata) to the OCV Issuer, the SBL Issuer and Unsecured Bondholders in accordance with Schedule 3 after sale of Vessels (and provided that NFDS Offshore 1 Facility creditors and NFDS Offshore 2 Facility creditors are repaid and discharged in full with respect to the Vessels upon such sale). NFDS Offshore 1 AS and NFDS Offshore 2 AS may with the prior written consent of the Bank Creditors use any of the Gulmar cash to pay interest, instalments or costs of the relevant company.
Security:	Guarantees from TBK and BOFF and Det Nordenfjedske Dampskipsselskab AS to be released/discharged. New shares issued in Borrowers to be pledged to the relevant Bank Creditors. (A) Rest claim (if any), including interest, after sale of vessels and (B) lay-up costs in NFDS Offshore 1 AS and NFDS Offshore 2 AS until sale of Vessels to be secured by existing 2nd lien ship mortgages by Boa Barges AS and New Account Pledges (defined below) (such rest claim to continue to be secured by the 2nd lien ship mortgages and New Account Pledges until the facilities have been fully repaid). Shares in Management Newco to be pledged on 1st priority as security for the respective borrowers' obligations under the NFDS Offshore 1 Facility, the NFDS Offshore 2 and the Boa Barges Facility. NFDS Offshore 1 AS and NFDS Offshore 2 AS shall open a pledged and blocked account with the Agent, to which the Gulmar cash will be transferred ("New Account Pledges").
Financial Covenants:	No financial covenants. (Pending credit committee approval)
Asset Sale Covenants:	Provisions governing continued vessel (Boa Bison and Boa Jarl) sales process: - Obligation to sell Vessels within 31 December 2017. - Borrowers to give lenders PoA, effective from the time the term sheet is implemented, with irrevocable and unconditional right to sell or otherwise divest/dispose of Vessels on arm's length terms³, including bareboat structures or granting of purchase options or similar arrangements.
Other Covenants:	Existing covenants on TBK, BOFF, Boa OCV and Boa SBL (if any) to be removed. Change of control with respect to TBK and/or BOFF to be applicable until Final Maturity Date.
Finance Documents:	Amendment Agreement to Loan Facility Agreement and Amended and Restated Loan Facility Agreement, Amendment Agreement to Security Documents. To the extent

³ Further terms of PoA TBD.

	required new security agreement(s) for the shares in Management Newco and/or the New Account Pledges. Any intercompany loan agreements involving Boa Shipping AS shall be approved by the Bank Creditors and subordinated if required. All documents to be in agreed form for the Bank Creditors and to include any intercreditor or coordination agreement between the lenders/guarantors.
BOA BARGES FACILITY	
Borrower:	Boa Barges AS, company reg.no. 992 982 950
Principal Amount:	No amendments.
Repayment and Redemption:	Final maturity extended to 31 December 2020. 50% of amortisations postponed (A) through end of 2020 or (B) until sale of AHTS vessels (parties to agree suitable amortisation profile after such sale).
Interest Rate and Payment:	Full interest payment at current interest rate.
Security:	Guarantees from TBK and BOFF to be released/discharged. New shares issued in Borrower to be pledged to the relevant Bank Creditors. Shares in Management Newco to be pledged on 1st priority as security for the respective borrowers' obligations under the NFDS Offshore 1 Facility, the NFDS Offshore 2 and the Boa Barges Facility.
Financial Covenants:	Removal of financial covenants in BOFF and amendment of covenants in Boa Barges.
Other Covenants:	Restrictions on dividend distribution, carve-out for management fee and for distributions/support to cover OPEX and interest in NFDS 1 and NFDS 2 in the period up to 31 December 2017 (in order to secure time for sales process of Bison/Jarl) and for distributions/support to cover OPEX, interest and amortisations for Boa Tugs in periods with insufficient cash flow. Payments and distributions from Boa Barges AS shall be approved by the lender, and new intercompany loans/shares in companies within the Bank Leg shall be pledged as security to the Bank Creditors. Existing covenants concerning TBK and BOFF to be removed, other covenants to be aligned with the principles of Amendments. Change of control with respect to TBK and/or BOFF to be applicable until Final Maturity Date.
Finance Documents:	Amendment Agreement to Loan Facility Agreement and Amended and Restated Loan Facility Agreement, Amendment Agreement to Security Documents. To the extent required new security agreement for the shares in Management Newco. Any intercompany loan agreements involving Boa Shipping AS shall be approved by the Bank Creditors and subordinated if required. All documents to be in agreed form for the Bank Creditors.
BOA TUGS FACILITY	
Borrower:	Boa Tugs AS, company reg.no. 992 982 985
Principal Amount:	No amendments.
Repayment and Redemption:	Final maturity/all amortisations extended/postponed (A) to 31 December 2020 or (B) until sale of AHTS vessels (parties to agree suitable amortisation profile after such sale). Partial mandatory redemption on divestment of tug units.

Interest Rate and Payment:	Full interest payment at current interest rate. Boa Barges AS to be responsible for OPEX, interest payments and after sale of Boa Bison and Boa Jarl interest and amortisation payments in periods with insufficient cash flow.
Security:	Guarantee from BOFF to be released/discharged. New shares issued in Borrower to be pledged to the relevant Bank Creditors.
Financial Covenants:	Removal of financial covenants in BOFF and amendment of covenants in Boa Tugs.
Asset Sale Covenants:	Provisions governing fleet sales process – commitment to sell tug units in order to repay debt and provide liquidity to group: Borrower to have commitment to sell Tug units with negative cash flow (over some time and in an orderly manner at arm's length terms).
Other Covenants:	Existing covenants concerning TBK and BOFF to be removed, other covenants to be aligned with the principles of Amendments. Change of control with respect to TBK and/or BOFF to be applicable until Final Maturity Date.
Finance Documents:	Amendment Agreement to Loan Facility Agreement and Amended and Restated Loan Facility Agreement, Amendment Agreement to Security Documents. All documents to be in agreed form for the Bank Creditors.
4. ULTIMATE OWNER AND INTRA-GROUP ITEMS – MANAGEMENT NEWCO, MONETARY CLAIMS, SHARES ETC.	
Management Newco:	A Management Newco to be established prior to Completion Date as a subsidiary/sister company to Boa Shipping AS (i.e. within the “bank leg”). Management Newco shall establish new management agreements with each of the vessel owning subsidiaries of BOFF based on <i>inter alia</i> the following principles: - Management Newco to undertake commercial and technical management of the Group's vessels (incl. sales and marketing, technical, engineering, HSEQ, finance and admin services, crewing). - Management agreement to be based on standard BIMCO terms. - All management agreements with Boa OCV and Boa SBL to have 3 months period of notice prior to termination by Boa OCV and/or Boa SBL (whether or not default) and 12 months period of notice prior to termination by Management Newco. - The management fee payable for Boa OCV AS (in aggregate for both vessels) to be NOK 16 million per year, such fee to be payable monthly with 1/12 of the total fee each time. - The management fee payable for Boa SBL AS (in aggregate for both vessels) to be NOK 12 million per year, such fee to be payable monthly with 1/12 of the total fee each time. - The management fee payable for NFDS Offshore 1 AS and NFDS Offshore 2 AS to be NOK 7 million per company per year, such fee to be payable monthly with 1/12 of the total fee each time until vessels are sold. - The management fee payable for Boa Barges AS to be NOK 22 million per year, such fee to be payable monthly with 1/12 of the total fee each time. - The management fee payable for Boa Tugs AS to be NOK 11 million per year, such fee to be payable monthly with 1/12 of the total fee each time. - Existing management agreement between BOFF and TBK to be transferred from BOFF to Management Newco (and terms to be amended): Management fee to TBK reduced to NOK 5 million per year (payable from Management

	Newco). - Notwithstanding anything to the contrary, Management Newco may terminate any management agreement upon payment default with respect to management fee following request for payment from Management Newco and a grace period of ten business days (in accordance with standard BIMCO terms). - Shares in Management Newco may be pledged on 1st priority as security for the respective borrowers' obligations under the NFDS Offshore 1 Facility, the NFDS Offshore 2 and the Boa Barges Facility. - No obligation on Management Newco to advance opex or capex of any kind on behalf of vessel owning entities, i.e. any vessel-related cost to be accrued in the name of Management Newco to be based on prepayment in cash of such amounts from the relevant vessel owning entity (in accordance with standard BIMCO terms). Agreements and corporate resolutions regarding the transfer of the management business to Management Newco to be executed at the latest on the Completion Date and to be satisfactory to the Bank Creditors, however actual implementation of the transfer (e.g. transfer of office rent, certificates, employees etc.) will be completed as soon as reasonably and practically possible in a transitional period post Completion Date.
Corporate governance etc.:	The Bond Trustee shall be entitled to, with prior consultation with the relevant bondholders, appoint: - one (1) representative in the board of directors Boa OCV; and - one (1) representative in the board of directors Boa SBL. The board of each of Boa OCV and Boa SBL shall be limited to three (3) board members. At least one board member of BOFF and at least one of the executive personnel of BOFF (CEO, CFO) is independent of BOFF's shareholders and/or the Bjørnevik family. Directors appointed by Bondholders in Boa SBL and Boa OCV shall receive reasonable prior notice of and be entitled to participate as observers in all board meetings and general meetings of BOFF. All reports and other written communication with the board members to be in English language unless otherwise agreed with all board members.
BOFF Cost Buffer:	NOK 52.1 million consisting of the following: - Legal process (IMR/Color Line) NOK 21.5 million (to be put on a separate account, costs paid from the account when invoiced) - Contingency (BOFF/Management Newco) NOK 5million per year, i.e. NOK 20million - Downscaling costs/negative EBITDA NOK 7.9 million - Remaining transaction costs BOFF NOK 1.2 million - Buyback of subordinated bonds from employees NOK 1.5 million The BOFF Cost Buffer will be retained by BOFF from proceeds otherwise applied in accordance with the Initial Cash Distribution. The amounts retained shall be applied by BOFF as and when applicable solely in accordance with the above items and the pre-agreed budget.

	Advisory fees relating to a specific Bond Issue shall be funded by that Issuer and is for Boa OCV and Boa SBL not included in the BOFF Cost Buffer.
Group transaction costs:	Total transaction costs for the Group in the restructuring are estimated to approx. NOK 28 million. Estimated transaction costs have been/will be allocated to the companies within the Group as follows: BOFF: NOK 7.8m Boa OCV: NOK 13.5m Boa SBL: NOK 3.4m NFDS 1 & NFDS 2: 1.9m Boa Barges: NOK 1.0m Boa Tugs: 0.4m Estimated paid transaction costs as of June 30 2017: NOK 19.9m. Remaining transaction costs are NOK 8.2m, to be distributed as follows: BOFF: NOK 1.2m Boa OCV: NOK 3.8m Boa SBL: NOK 1.3m NFDS 1 & NFDS 2: NOK 1.0m Boa Barges: NOK 0.6m Boa Tugs: NOK 0.2m
Intra-group claims, share transactions and agreements:	Conversion or release of intra-group claims (no settlement in cash of intra-group claims other than to facilitate distribution of cash by BOFF in accordance with approved plan for Amendments) save for the OCV Internal Loan and the SBL Internal Loan and claims against companies within the Boa Bank leg without recourse to BOFF or the Boa Bond leg, share transfers, amendments to intra-group agreements etc. in order to achieve the legal structure set out in Schedule 7 hereto ("Group Structure"). Final conversion/release plan to be approved by the Bank Creditors.
Incentive package:	- Purpose of the incentive package is to ensure that key people are retained, and that they have an incentive to (i) remain with Group, and (ii) create value to creditors and ultimately shareholders - Incentive package in Group to include the following Key Personnel: - o [*]⁴ - o [*] - o [*] - o Other Key People to be verified by CEO in BOFF. - The incentive package will consist of (i) Cash Component, and (ii) Rest Claim Component, and have a 3 year term. CEO in BOFF will have the discretion to identify Other Key People, but has to apply same incentive scheme methodology as for himself, and stay within budgeted amount. The Rest Claim Component will be super senior, ranking ahead of the Rest Claims. - Bonus Pool in the aggregate amount of NOK 21,000,000 split 50/50 between a cash and rest claim component: - o Cash Component: 50% - o Rest Claim Component: 50% - Bonus Pool Cash Component to be split as follows and (for Boa OCV and Boa SBL) reducing the Initial Cash Distribution at the Completion Date accordingly: - o Boa OCV AS: 33.3% - o Boa SBL AS: 33.3%

⁴ Names redacted as identity of key employees is sensitive.

	○ Boa Barges AS: 33.3% - The amount of the Bonus Pool Cash Component allocated to Boa Barges AS, i.e. NOK 3,500,000, shall be paid by Boa Barges AS to BOFF on or prior to the Completion Date. - The Rest Claim Component of the total Bonus Pool to reduce the aggregate amount of the Rest Claims before the remaining aggregate amount of the Rest Claims are allocated in accordance with Schedule 3. - Vesting period for the Cash Component: ○ Year 1: 25% ○ Year 2: 25% ○ Year 3: 50% - The Rest Claim Component is subject to a clawback provision where Key Personnel leaving the Group prior to specified time limits from the Completion Date below are required to pay back the following percentages of received Rest Claim Component: ○ Within 6 months from Completion Date: 100% ○ Within 6-12 months from Completion Date: 75% ○ Within 12-24 months from Completion Date: 67% ○ Within 24-36 months from Completion Date: 33% - Key Personnel leaving the Group 36 months, or later, after Completion Date are no longer subject to the clawback provision applicable for the Rest Claim Component.
Ultimate owner items	The Unsecured Bonds in the principal amount of NOK 107 million owned by Ole T. Bjørnevik (directly or indirectly) (the "Owner's Bonds") shall be treated as follows: - Owner's Bonds to receive its share of the Initial Cash Distribution and retain Rest Claim and Legal Recovery Claim along with all other Unsecured Bondholders (to be treated as all other bonds, on the conditions set out below). - The Initial Cash Distribution and a part of the TBK Asset Realization payable on the Owner's Bonds shall be applied towards payment of third party bank debt secured in the Owner's Bonds. - Following the Initial Cash Distribution on the Completion Date monetary claims from Owner's Bonds to be assigned to Boa Eiendom AS for full repayment of debt (after which Boa Eiendom AS will own Unsecured Bonds with a total par value of NOK 138.5 million).
5. MISCELLANEOUS	
Expenses:	Respective issuers to pay Bondholder expenses, including but not limited to Bond Trustee and advisor fees.
Conditions Precedent:	The effectiveness of this Term Sheet and the completion of the Amendments shall be conditional upon all of the respective conditions set out in part 1 of Schedule 1 to this Term Sheet being fulfilled before the Long Stop Date. All parts of the Amendments shall be conditional upon each other. If only parts of the Amendments have been completed prior to the Long Stop Date, no parts of the Amendments shall be completed and all steps already performed shall be reversed.
No liability:	Provided that the information provided by the BOFF Group for the purpose of the Amendments and this Term Sheet is in accordance with the facts, and that there are no misleading or incomplete information regarding circumstances which are of significance when assessing the question of whether or not to accept the Term Sheet,

	and that there are no omissions material to the Term Sheet, the Bondholders and the Bank Creditors will not seek to hold TBK, BOFF or any other member of the Group (the " <u>Companies</u> "), or any director, officer, management, employee or advisor of the Companies, liable for any loss arising from the transactions contemplated by the Amendments or the Completion thereof. The parties agree that any director, officer, employee or advisor entitled to protection under this provision may rely on and enforce this clause directly against any party. Neither TBK, BOFF nor any other member of the Group will seek to hold the Bond Trustee liable for any loss arising from the transactions contemplated by the OCV Stock Accession Option, the SBL Stock Accession Option or the Security Document (as defined in the Bond Agreement) or the completion thereof.
Amendments:	No amendments may be made to this Term Sheet without the prior approval of the Bond Trustee (on behalf of the Bondholders), Bank Creditors, TBK, BOFF Boa OCV, Boa SBL, NFDS Offshore 1, NFDS Offshore 2, Boa Tugs and Boa Barges.
Governing Law:	This Term Sheet and any non-contractual obligations arising out of or in connection with it shall be governed by Norwegian law.

[PLACE], [DATE]	
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐
☐	☐

SCHEDULE 1

CONDITIONS PRECEDENT

1. Conditions precedent for effectiveness of Term Sheet

This Term Sheet becomes binding on the parties to it upon satisfaction of the following conditions precedent:

- (a) Approval of the Amendments and the Term Sheet by the board of directors (and, where applicable, extraordinary general meeting) of each of TBK, BOFF, Boa OCV, Boa SBL, NFDS Offshore 1, NFDS Offshore 2, Boa Tugs and Boa Barges.
- (b) Approval of the Amendments and the Term Sheet by a duly convened Bondholders' meeting for each of the Bonds.
- (c) Approval of the Amendments and the Term Sheet by the respective credit committees (or similar) of each of the Bank Creditors.

2. Conditions precedent for Completion of the Amendments

The Completion of the Amendments is conditional upon satisfaction of the following conditions precedent:

- (a) Execution of the Finance Documents.
- (b) Execution of amended intra-group loan agreements, management agreements and other agreements and intra-group transactions required to implement the Term Sheet.
- (c) Evidence that all guarantees from BOFF and TBK have been released (except for the Subordinated Bonds guarantee and the two existing performance guarantees provided by BOFF to the benefit of Boa Barges AS to Irwing Shipbuilding and Saipem).
- (d) Evidence that the OCV Stock Accession Option and the SBL Stock Accession Option is noted in the share registers of the OCV Issuer and the SBL Issuer.
- (e) Evidence that the minimum cash immediately prior to the Completion Date is as follows:
 - (i) In Boa OCV, either (A) NOK 24,600,000 or (B) 13,500,000 (item (A) applies if the approx. NOK 31,000,000 invoice payable by a third party to BOA OCV has been paid to BOA OCV prior to the Completion Date, and item (B) applies if the said invoice has not been paid at that time);
 - (ii) In BOA SBL, NOK 45,000,000; and
 - (iii) In BOFF, NOK 63,000,000.
- (f) Evidence that the Initial Cash Distributions will be made on the respective due dates.
- (g) Evidence that Management Newco has been incorporated.
- (h) The applicable accounts being established and funded as per this Term Sheet.

- (i) Agreed key personnel incentive plan and execution of relevant documentation to implement the plan.
- (j) Satisfactory budgets for BOFF, Boa OCV and Boa SBL.
- (k) OCV Operational Report and SBL Operational Report.
- (l) Update on the TBK Assets Realization process.
- (m) Bondholders' representative to be appointed as board member in Boa OCV and Boa SBL.
- (n) Boa Barges AS' portion of the Bonus Pool Cash Component is paid to BOFF.
- (o) Completed cash cover by entities within the "Boa Bank" leg of Bank Creditors' restructuring costs as per facilities agreements.
- (p) Relevant members of the Group to pay all Bondholder expenses, including but not limited to Bond Trustee expenses, legal advisor fees, and financial advisor fees.
- (q) Cancellation of repurchased Subordinated Bonds (Issuer's Bonds) so the aggregate Outstanding Bonds equals NOK 61,060,000 and Unsecured Bonds (Issuer's Bonds) so the aggregate Outstanding Bonds equals NOK 499 million.
- (r) Written confirmation to Eksportkreditt that GIEK has approved the Amendment Agreements to the Facilities Agreements where Eksportkreditt is the lender.
- (s) Written confirmation from legal advisor that all GIEKs conditions have been included in the Finance Documents.
- (t) Satisfactory evidence that the GIEK Guarantee and SMN Guarantee are and will continue in full force and effect at the Completion Date.
- (u) Other conditions precedent reasonably requested by the Bond Trustee or the Banks.

SCHEDULE 2 DEFINITIONS

"Bank Creditors" means each of the lenders and other finance parties under the Bank Loan Facilities.

"Bank Loan Facilities" means, respectively:

- (i) the **"NFDS Offshore 1 Facility"**, the facility agreement entered into between, i.a., NFDS Offshore 1 AS (as borrower) and Eksportkreditt (as lender) (as amended from time to time) guaranteed by GIEK and SB1 SMN;
- (ii) the **"NFDS Offshore 2 Facility"**, the facility agreement entered into between, i.a., NFDS Offshore 2 AS (as borrower) and Eksportkreditt (as lender) (as amended from time to time) guaranteed by GIEK and SB1 SMN;
- (iii) **"Boa Barges Facility"**, the facility agreement entered into between, i.a., Boa Barges AS (as borrower) and SB1 SMN and SB1 NN (as lenders) (as amended from time to time); and
- (iv) **"Boa Tugs Facility"**, the facility agreement entered into between, i.a., Boa Tugs AS (as borrower) and SB1 SMN (as lender) (as amended from time to time).

"BOFF" means Boa Offshore AS, company reg.no. 926 265 156, with registered address Strandveien 43, 7067 Trondheim.

"BOFF Cash" means at any time cash in hand and cash deposits of BOFF (after Completion Date and the Initial Cash Distribution and excluding (i) any proceeds from the TBK Assets Realization, the Gulmar Claim and the Legal Claims, (ii) cash deposit for rent in the amount of up to NOK 1,800,000), (iii) amounts pre-funded and not already utilised to cover the cash component of the key employee incentive package, cf. "Incentive package" above and (iv) cash deposited in mandatory bank account(s) for employees' tax deduction in the period between the Completion Date and transition to Management Newco.

"BOFF Cash Sweep Threshold" means an amount equal to the amount of the BOFF Cost Buffer less the aggregate amount of the BOFF Cost Buffer already utilised by BOFF in accordance with this Term Sheet at the time of calculation.

"Bond Agreements" means the bond agreements governing the Bonds.

"Bondholders" means the holders of Bonds, from time to time.

"Bonds" means the OCV Bonds, the SBL Bonds, the Subordinated Bonds and the Unsecured Bonds, collectively.

"Bond Trustee" means Nordic Trustee ASA in its capacity as bond trustee under the respective Bonds.

"Completion Date" means date on which the Amendments shall be implemented (estimated to be 14 July 2017, such date not to be later than the Long Stop Date).

"Color Line Claim" means net proceeds from BOFF's (through subsidiary Nye Kystlink) potential claims against Color Line in connection with the ongoing proceedings between Nye Kystlink and Color Line et al.

"**Eksportkreditt**" means Eksportkreditt Norge AS, company reg.no. 998 544 696, with registered address Hieronymus Heyerdahls gate 1, 0160 Oslo, Norway.

"**GIEK**" means The Norwegian Export Credit Guarantee Agency, company reg.no. 974 760 908, with registered address Støperigata 1, 0250 Oslo, Norway.

"**Gulmar claim**" means the net proceeds from Gulmar Offshore Middle East Co LLC as further described in the Oslo Stock Exchange ABM report from BOFF dated 21 February 2017.

"**IMR Claim**" means the net proceeds from BOFF's (through subsidiary Boa IMR) potential claims against Fevamontinico S.a.r.l. in connection with the ongoing proceedings between Boa IMR and Fevamontinico S.a.r.l. et al.

"**Rest Claim Payment Date**" means 14 January, 14 April, 14 July, 14 October each year (or the first following day that is a business day).

"**Legal Claims**" means the Color Line Claim and the IMR Claim.

"**Long Stop Date**" means 30 September 2017.

"**Management Newco**" means the newly incorporated limited liability company to be 100 % directly owned by Boa Shipping.

"**OCV Bond Agreement**" means the bond agreement for the OCV Bonds dated 6 October 2014.

"**OCV Bonds**" means FRN Boa OCV AS Senior Secured Bond Issue 2014/2019, with ISIN NO0010720790.

"**OCV Bondholders**" means the holders of the OCV Bonds.

"**OCV Internal Loan Agreement**" means the Internal Loan Agreement (as defined in the OCV Bond Agreement), dated 6 October 2014.

"**OCV Internal Loan**" means the Internal Loan (as defined in the OCV Bond Agreement).

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

"**Rest Claims**" means the Senior Rest Claims and the Subordinated Rest Claim.

"**SB1 NN**" means Sparebank 1 Nord-Norge, company reg.no. 952 706 365, with registered address Storgata 65, 9008 Tromsø, Norway.

"**SB1 SMN**" means Sparebank 1 SMN, company reg.no. 937 901 003, with registered address Søndre gate 4, 7011 Trondheim, Norway.

"**SBL Bond Agreement**" means the bond agreement for the SBL Bonds dated 17 April 2013.

"**SBL Bonds**" means FRN Boa SBL AS Senior Secured Bond Issue 2013/2018, with ISIN NO0010675051.

"**SBL Bondholders**" means the holders of the SBL Bonds

“**SBL Internal Loan Agreement**” means the Internal Loan Agreement (as defined in the SBL Bond Agreement), dated 6 October 2014.

“**SBL Internal Loan**” means the Internal Loan (as defined in the SBL Bond Agreement).

“**Secured Bondholders**” means the OCV Bondholders and the SBL Bondholders.

“**Senior Rest Claims**” means the OCV Rest Claim, the SBL Rest Claim and the Unsecured Rest Claim.

“**Settlement Date**” means the date falling four (4) business days after the Completion Date.

“**Subordinated Bonds**” means FNR Boa Offshore AS Subordinated Callable Bond Issue 2015/2018, with ISIN NO0010741895.

“**Subordinated Bondholders**” means the holders of the Subordinated Bonds.

“**TBK**” means Taubåtkompaniet AS, company reg.no. 989 023 268, with registered address Strandveien 43, 7067 Trondheim, Norway.

“**Term Sheet**” means the term sheet with appendices.

“**Unsecured Bonds**” means FRN Boa Offshore AS Senior Unsecured Bond Issue 2013/2018, with ISIN NO0010699077.

“**Unsecured Bondholders**” means the holders of the Unsecured Bonds.

SCHEDULE 3
PRO RATA DISTRIBUTIONS

1. TBK Assets Realization distributions

All net proceeds from realization of assets in TBK shall be distributed according to the ratio's in the table below.

Distribution Table TBK	Claim	Ratio
BOFF	147	70,67 %
Subordinated Bond	61	29,33 %
Total	208	100,00 %

2. Gulmar Claim proceeds distribution

All cash distributions from the net Gulmar Claim proceeds shall be distributed according to the ratio's in the table below:

Distribution Table Gulmar Claim	Claim	Ratio
NFDS 1 & NFDS 2	nm	22,64 %
Bondholders	nm	77,36 %
Total		100,00 %
Bondholders share of Gulmar Claim:		
- OCV	nm	37,14 %
- SBL	nm	7,48 %
- Unsecured Bond	nm	32,74 %
Share of total Gulmar Claim	nm	77,36 %

The net proceeds from the Gulmar Claim total NOK 134.881.660. The proceeds towards NFDS Offshore 1 Facility & NFDS Offshore 2 Facility will be distributed to blocked and pledged accounts of NFDS Offshore 1 AS and NFDS Offshore 2 AS. The proceeds to bondholders will be distributed as part of the initial cash distribution in BOFF as specified in section 3.1 below.

The distribution of proceeds from the Gulmar Claim will accordingly be:

Recipient	Ratio	Amount	
NFDS 1 & NFDS 2	22,64 %	30 537 208	<i>Estimated at settlement date</i>
Bondholders	77,36 %	104 344 452	<i>Estimated at settlement date</i>
Total	100,00 %	134 881 660	<i>Estimated at settlement date</i>

Should the NFDS 1 & NFDS 2 proceeds be released with the prior consent of the Bank Creditors, the released funds shall be distributed according to the BOFF cash distribution ratio's.

3. BOFF cash distributions

All cash distributions from BOFF (excluding under the Rest Claim) shall be distributed according to the ratio's in the table below:

Distribution Table BOFF	Claim	Ratio
OCV	566	48,01 %
SBL	114	9,67 %
Unsecured Bond	499	42,32 %
Total	1 179	100,00 %

3.1 Initial Cash Distribution

The initial cash distribution from BOFF to its creditors to be calculated based on the excess cash on settlement date (as calculated below on estimated excess cash levels) and applying the ratio's for cash distribution from BOFF. The calculation of excess cash is the total of all cash in all accounts in the companies Boa Offshore AS, Boa PSV AS and Boa Shipping AS (excluding proceeds from the Gulmar Claim, where separate calculation above for BOFF share of these proceeds has been calculated) less the amount that must be withheld by BOFF as a cost buffer in order to secure operations through 2021.

Cash source	NOK	
Boa Offshore	79 490 970	<i>Estimated at settlement date</i>
Boa PSV	45 337 483	<i>Estimated at settlement date</i>
Boa Shipping (excl. Gulmar Claim)	1 566 492	<i>Estimated at settlement date</i>
Gulmar Claim	104 344 452	<i>Estimated at settlement date</i>
Subtotal - Total cash	230 739 397	<i>Estimated at settlement date</i>
Cost Buffer	-50 900 000	
Additional transaction costs (Legal)	-1 214 700	
Excess Cash	178 624 697	<i>Estimated at settlement date</i>

Certain additional costs connected to the restructuring will not be distributed according to the distribution keys. However these will be deducted from the gross initial cash distribution calculated below:

Recipient	Ratio	Gross Amount	
OCV	48,01 %	85 751 975	<i>Estimated at settlement date</i>
SBL	9,67 %	17 271 599	<i>Estimated at settlement date</i>
Unsecured	42,32 %	75 601 123	<i>Estimated at settlement date</i>
Total	100,00 %	178 624 697	<i>Estimated at settlement date</i>

Additional costs to be covered are:

- Funding Management Incentives (NOK) 10 500 000 (OCV 1/3, SBL 1/3 and Boa Bank 1/3)

The Net distribution from BOFF will accordingly be:

Recipient	Adjustment	Net Amount	
OCV	3 500 000	82 251 975	<i>Estimated at settlement date</i>
SBL	3 500 000	13 771 599	<i>Estimated at settlement date</i>
Unsecured	-	75 601 123	<i>Estimated at settlement date</i>
Total		171 624 697	<i>Estimated at settlement date</i>

3.2 Distribution of proceed from TBK

All proceeds recieved from TBK in connection with the realization of assets shall be distributed according to the ratio's in the Distribution Table BOFF

4. Rest Claim distribution

The Rest Claim in BOFF shall be distributed according to the ratio below. The Rest Claim to the Subordinated Bonds (the "Subordinated Rest Claim") will in all aspects be subordinated to the other Rest Claims and will receive no payments under the Rest Claim until the Rest Claims of OCV, SBL and the Unsecured Bond (the "Senior Rest Claims") and the Rest Claims to key personnel under the Management Incentive Scheme (the "Super Senior Rest Claims") have been fully serviced or discharged. The Super Senior Rest Claims will total NOK 10.500.000 and are included in the total Rest Claim amount. The Senior Rest Claim will receive no payments under the Rest Claim until the Super Senior Rest Claim has been serviced in full.

Distribution Table Rest Claim	Claim	Ratio
OCV	566	45,65 %
SBL	114	9,19 %
Unsecured Bond	499	40,24 %
Subordinated Bond	61	4,92 %
Total	1 240	100,00 %

The total amount of Rest claims will be NOK 289.500.000 million (after deducting the Super Senior Rest Claim amount from NOK 300.000.000 of total Rest Claim Amount) and distributed accordingly:

Recipient	Ratio	Amount
OCV	45,65 %	132 142 742
SBL	9,19 %	26 615 323
Unsecured Bond	40,24 %	116 500 403
Subordinated Bond	4,92 %	14 241 532
Total	100,00 %	289 500 000

4.1 Senior Rest Claim Distribution

Subsequent to the Super Senior Rest Claims being serviced in full and prior to all Senior Rest Claims being serviced in full or discharged, all distribution from BOFF under the rest claim will be attributed to the Senior Rest Claims according Distribution table BOFF

Should one of the Senior Rest Claims be discharged the Distribution table BOFF shall be recalculated to obtain new distributions ratio's based on the size of the remaining creditors claims in the table

4.2 Subordinated Rest Claim Distribution

After all Senior Rest Claims have been serviced in full or discharged all distribution from BOFF towards the rest claim shall be attributed towards the Subordinated Rest Claim.

5. Legal Recovery Claim

All proceeds received in connection with the Legal Recovery Claim shall be distributed according to the ratio's in the Distribution Table BOFF.

Distribution Table BOFF	Claim	Ratio
OCV	566	48,01 %
SBL	114	9,67 %
Unsecured Bond	499	42,32 %
Total	1 179	100,00 %

SCHEDULE 4
BOFF GENERAL UNDERTAKINGS

1.1 Information Covenants

1.1.1 BOFF 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 could reasonably be expected to lead to an Event of Default and any other event which could reasonably be expected to have a Material Adverse Effect;
- (ii) without being requested to do so, inform the Bond Trustee in writing if BOFF 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 and make them available on its website www.boa.no in the English language (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 in the English language (and 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) at the request of the Bond Trustee, report the balance of Issuer's Bonds;
- (vi) without being requested to do so, send the Bond Trustee copies of any statutory notifications of BOFF, including but not limited to in connection with mergers, de-mergers and reduction of BOFF's share capital or equity;
- (vii) if 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;
- (viii) if BOFF 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;
- (ix) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond Trustee is entitled to receive such information from the Securities Depository or Paying Agent directly);
- (x) BOFF shall, promptly upon becoming aware of them, send the Bond Trustee such relevant details of any (a) material litigations, arbitrations or administrative proceedings which have been or might be started by or against any Group Company; and (b) other events which have occurred or might occur and which may have a Material Adverse Effect, as the Bond Trustee may reasonably request; and
- (xi) within a reasonable time, provide such information about BOFF's business, assets and financial condition as the Bond Trustee may reasonably request.

1.2 General Covenants

1.2.1 *Pari passu ranking*

BOFF shall ensure that its obligations under the Unsecured Bond Agreement, any other Finance Documents (as defined in Unsecured Bond Agreement), the OCV Internal Loan Agreement and the SBL Internal Loan Agreement shall at all time rank at least pari passu with all other obligations of BOFF (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.

BOFF shall ensure that its obligations under the Bond Agreements, any other Finance Documents (as defined in the Bond Agreements), the OCV Internal Loan Agreement and the SBL Internal Loan Agreement shall at all time rank ahead of any loans provided by the Bjørnevik Family and/or any Shareholder Loans, which shall be fully subordinated to such prior ranking claims.

1.2.2 *Mergers*

BOFF shall not carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of BOFF with any other companies or entities.

1.2.3 *De-mergers*

BOFF shall not carry out any de-merger or other corporate reorganization involving a split of BOFF into two or more separate companies or entities.

1.2.4 *Continuation of business*

BOFF shall not cease to carry out its business. Further, BOFF shall procure that no material change is made to the general nature of its business from that carried on at the date of this Term Sheet, and/or as set out in the Bond Agreements and this Term Sheet.

1.2.5 *Disposal of business*

BOFF shall not sell or otherwise dispose of all or a substantial part of its assets, directly owned subsidiaries or operations (other than in connection with the management business transfer to Management Newco to implement the Term Sheet), unless:

- (i) the transaction is carried out at fair market value, on terms and conditions customary for such transactions; and
- (ii) such transaction would not have a Material Adverse Effect.

BOFF shall notify the Bond Trustee of any such substantial transaction, and upon request provide relevant details thereof.

1.2.6 *Corporate status*

BOFF shall not change its type of organization or jurisdiction of incorporation.

1.2.7 *Compliance with laws*

BOFF shall carry on its business in accordance with acknowledged, careful and sound practices in all aspects and comply in all respects with all laws and regulations it or they may be subject to from time to time. Breach of these obligations shall be regarded as non-compliance only if such breach would have Material Adverse Effect.

1.3 Special covenants

1.3.1 *Dividend restrictions*

BOFF shall not declare or make any dividend payment or distribution, whether in cash or in kind, repurchase of shares or make other similar transactions (included, but not limited to total return swaps related to shares in BOFF), or other distributions or transactions implying a transfer of value to its shareholders (“**Dividend Distributions**”), save for permitted fees as per the “Adjustment of OCV Internal Loan” and “Adjustment of SBL Internal Loan” in the Term Sheet.

1.3.2 *Negative pledge*

BOFF shall not create or permit to subsist any security over any of its assets or revenues or enter into arrangements having a similar effect other than (i) the share pledges securing the OCV Bonds and the SBL Bonds, and (ii) security over shares in its other Subsidiaries.

1.3.3 *Financial Support*

BOFF shall not make or grant any loans, grant any credit or give any guarantee or indemnity to or for the benefit of any person or group or otherwise voluntarily assume any financial liability, whether actual

or contingent, in respect of any other person or group save for (i) guarantees provided in connection with payments of legal costs related to the Color Line/IMR legal claims within the scope of the BOFF Cost Buffer and (ii) the existing guarantees provided to Irwing Shipbuilding and Saipem in the maximum amounts of approx. USD 3 million and approx. NOK 9 million respectively.

1.3.4 *Additional investments*

BOFF shall not carry out any new investments, save for the buyback of Subordinated Bonds from employees included in the BOFF Cost Buffer.

1.3.5 *Composition of the board of directors and the executive personnel of BOFF*

BOFF shall procure (i) that at least one director of BOFF and at least one of the executive personnel of BOFF (CEO, CFO) is independent of BOFF's shareholders and/or the Bjørnevik Family, as the term "independent" is understood in the NUES Code of Practice for Corporate Governance section 8, and (ii) that directors appointed by Bondholders in Boa SBL and Boa OCV shall receive reasonable prior notice of and be entitled to participate as observers in all board meetings and general meetings of BOFF.

1.3.6 *Restrictions on further indebtedness*

BOFF shall not incur, create or permit to subsist any Financial Indebtedness (including guarantees, shareholder loans and loans from the Bjørnevik Family) other than (i) the Unsecured Bond Agreement, (ii) the Subordinated Bond Agreement, (iii) the Rest Claims, (iv) the OCV Internal Loan, (v) the SBL Internal Loan, (vi) guarantees provided in connection with payments of legal costs related to the Color Line/IMR legal claims within the scope of the BOFF Cost Buffer and (vii) the existing guarantees provided to Irwing Shipbuilding and Saipem in the maximum amounts of approx. USD 3 million and approx. NOK 9 million respectively.

1.3.7 *Application of earnings*

BOFF shall distribute any proceeds from the TBK Assets Realization, the Gulmar Claim, the Legal Claims and BOFF Cash in accordance with the Term Sheet and use all reasonable efforts to expedite the recovery of its claim against TBK through the TBK Assets Realization.

1.4 **Definitions**

"Financial Statements" means the audited unconsolidated and consolidated annual financial statements of BOFF for any financial year, drawn up in accordance with GAAP, such accounts to include inter alia a profit and loss account, balance sheet, cash flow and report from the Board of Directors.

"Interim Accounts" means the unaudited unconsolidated and consolidated quarterly financial statements of BOFF for any quarter ending on a Quarter Date, drawn up in accordance with GAAP.

"Material Adverse Effect" means a material adverse effect on: (a) BOFF's ability to perform and comply with its obligations under any of the Unsecured Bond Agreement, the Subordinated Bond Agreement, the OCV Internal Loan Agreement or the SBL Loan Agreement; or (b) the validity or enforceability of any of the documents relating thereto.

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

SCHEDULE 5
EVENTS OF DEFAULT

OCV BONDS

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

(a) Non-payment

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

(b) Breach of other obligations

The Issuer does not comply with any provision pursuant to this Bond Agreement or any other Finance Document, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten Business Days after notice thereof is given to the Issuer by the Bond Trustee.

(c) Cross default

If for the Issuer, the Parent or Management Newco:

- (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 a total of NOK 5,000,000, or the equivalent thereof in other currencies, shall apply.

(d) Misrepresentations

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

(e) Insolvency

The Issuer, the Parent or Management Newco is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts.

(f) Insolvency proceedings and dissolution

If for the Issuer, the Parent or Management Newco any corporate action, legal proceedings or other procedure step is taken 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 reorganization;
- (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; or
- (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 any analogous procedure or step is taken in any jurisdiction. This paragraph (f) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

(g) Creditors' process

The Issuer, the Parent or Management Newco having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in paragraph (c) above.

(h) Impossibility or illegality

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

(i) 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.

SBL BONDS

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

(a) Non-payment

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

(b) Breach of other obligations

The Issuer does not comply with any provision pursuant to this Bond Agreement or any other Finance Document, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten Business Days after notice thereof is given to the Issuer by the Bond Trustee.

(c) Cross default

If for the Issuer, the Parent or Management Newco:

- (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 a total of NOK 5 million, or the equivalent thereof in other currencies, shall apply.

(d) Misrepresentations

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

(e) Insolvency

- (i) The Issuer, the Parent or Management Newco 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) A moratorium is declared in respect of any indebtedness of the Issuer, the Parent or Management Newco.

(f) Insolvency proceedings and dissolution

If for the Issuer, the Parent or Management Newco, any corporate action, legal proceedings or other procedure step is taken 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 reorganization;
- (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.

(g) *Creditors' process*

The Issuer, the Parent or Management Newco has a substantial proportion of the assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets.

(h) *Impossibility or illegality*

It is or becomes impossible or unlawful for the Issuer, the Parent or Management Newco to fulfil or perform any of the terms of any Finance Document to which it is a party.

(i) *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.

UNSECURED AND SUBORDINATED BONDS

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

(i) *Non-payment*

The Issuer fails to fulfil any payment obligation due under this Bond Agreement or any Finance Document 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.

(ii) *Breach of other obligations – BOFF Cost Buffer*

BOFF utilises any part of the BOFF Cost Buffer in breach of any provisions pursuant to the Bond Agreement or any other Finance Documents, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten Business Days after notice thereof is given to BOFF by the Bond Trustee.

(iii) *Cross default*

If for the Issuer:

- (a) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;
- (b) 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);
- (c) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (d) 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).

(iv) *Insolvency*

(a) The Issuer 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.

(a) The value of the assets of the Issuer, is less than its liabilities (taking into account contingent and prospective liabilities).

(v) *Insolvency proceedings and dissolution*

If for the Issuer, any corporate action, legal proceedings or other procedure step is taken in relation to:

(b) 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 reorganization;

(c) a composition, compromise, assignment or arrangement with any creditor, having an adverse effect on the Issuer's ability to perform its payment obligations hereunder;

(d) 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

(e) its dissolution;

or any analogous procedure or step is taken in any jurisdiction. This paragraph (v) shall not apply to any winding up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

(vi) *Creditors' process*

The Issuer has a substantial proportion of the assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets.

(vii) *Impossibility or illegality*

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

(viii) *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.

* * *

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

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (h) the amount of any liability in respect of the existing guarantees provided by BOFF to Irwing Shipbuilding and Saipem; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

“Material Adverse Effect” means a material adverse effect on: (a) the Issuer’s ability to perform and comply with its obligations under any of the Unsecured Bond Agreement, the Subordinated Bond Agreement, the OCV Internal Loan Agreement or the SBL Loan Agreement; or (b) the validity or enforceability of any of the documents relating thereto.

SCHEDULE 6 WRITTEN RESOLUTION

-

Clause 1.1 (*Definitions*):

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause [16.5/18.5] (*Written Resolutions*).

Clause [16⁵/18⁶] (*Bondholders’ Meeting*):

New Clause [16.4.3⁷/16.4.4⁸/18.4.3⁹]:

A repeated Bondholders’ Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause [16.5/18.5] (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders’ Meeting in accordance with Clause [16.2/18.2] (*Procedural rules for Bondholders’ meetings*) and vice versa.

[16.5/18.5] *Written Resolutions*

- (a) Subject to this Bond Agreement, anything which may be resolved by the Bondholders in a Bondholders’ Meeting pursuant to Clause [16.1/18.1] (*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.
- (b) 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.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the Securities Depository at the time the Summons is sent from the Securities Depository and published at the Bond Trustee’s web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause [16.1/18.1] (*Authority of the Bondholders’ Meeting*), [16.2/18.2] (*Procedural rules for Bondholder’s meetings*), Clause [16.3/18.3] (*Resolutions passed at Bondholders’ Meetings*) and Clause [16.4/18.4] (*Repeated Bondholders’ Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in Clause [16.2.8/18.2.8], Clause [16.2.10/18.2.10] and Clause [16.2.11/18.2.11]; or

⁵ Unsecured, subordinated and OCV

⁶ SBL

⁷ Unsecured, subordinated

⁸ OCV

⁹ SBL

- (ii) provisions which are otherwise in conflict with the requirements of this Clause [16.5/18.5] (*Written Resolution*),

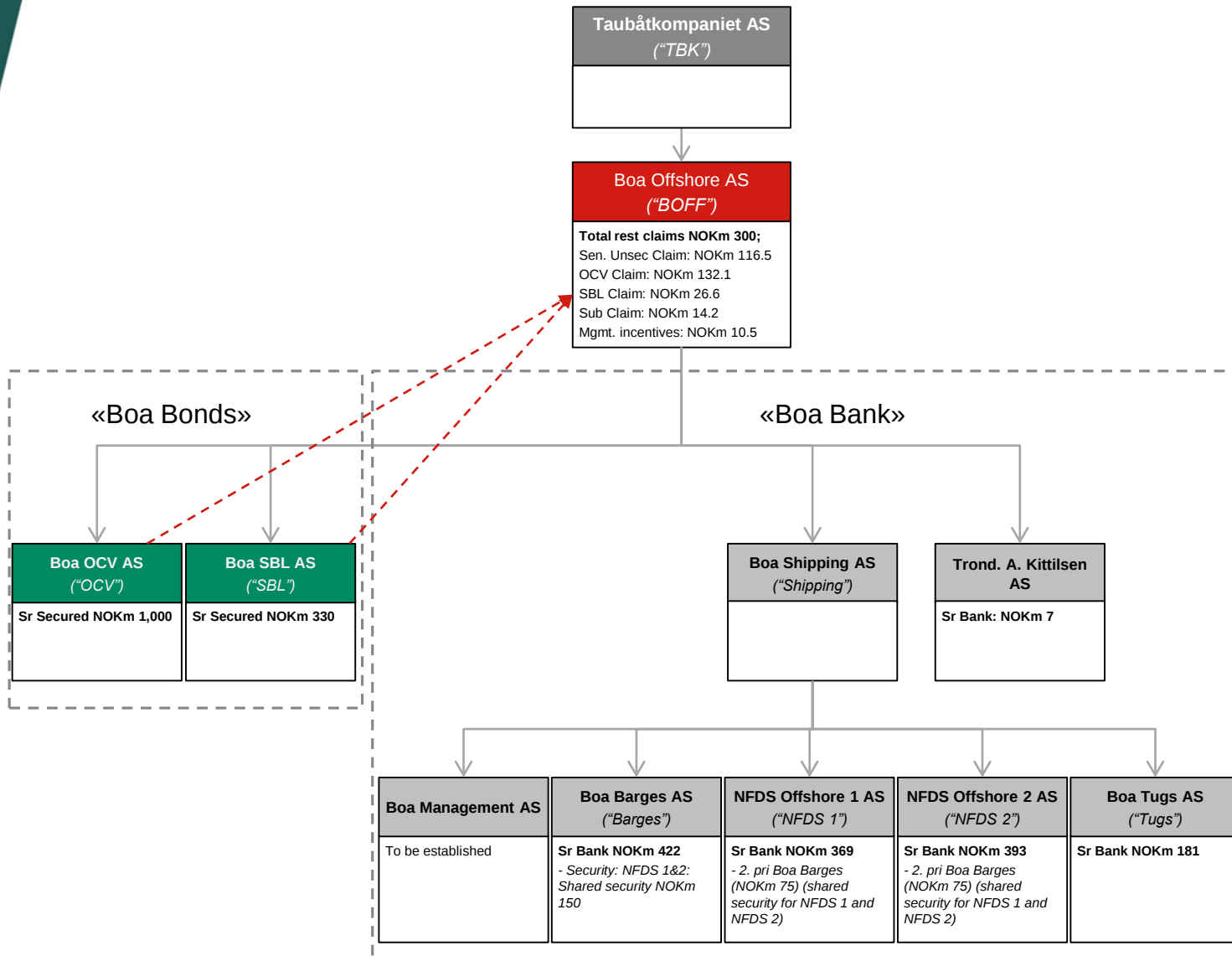
shall not apply to a Written Procedure.

- (e) 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 [16.4/18.4] (*Repeated Bondholders’ Meeting*) shall be at least ten (10) Business Days but not more than 15 Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the Securities Depository on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause [16.3.1/18.3.1], will be counted in the Written Resolution. “**Relevant Record Date**” means for the purpose of this paragraph; (i) the date falling 3 Business Days after the Summons have been published; or (ii) if the requisite majority in the opinion of the Bond Trustee has been reached prior to the date set out in paragraph (i) above, on the date falling on the immediate Business Day prior to the date on which the Bond Trustee declares that the Written Resolution has been passed with the requisite majority.
- (g) A Written Resolution is passed when the requisite majority set out in Clause [16.3.4/18.3.4] and [16.3.5/18.3.5] 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 numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) 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.
- (i) 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 [16.3.3/18.3.3]- Clause [16.3.5/18.3.5].

-

**- SCHEDULE 7
GROUP STRUCTURE**

Schedule 7 Group Structure





BOA



Boa Offshore AS

Restructuring proposal and company update 22 June 2017



Disclaimer

About this Presentation

We, Boa Offshore AS and subsidiaries (together “the Company”), have prepared this presentation, together with its enclosures and appendices (collectively, the “Presentation”), to provide information solely for use in connection with the bondholders’ meetings as to be held in relation to the summons dated 23rd June 2017 (the “Transaction”). We have retained Pareto Securities AS and SpareBank 1 Markets AS as financial advisors (the “Managers”) and Ro Sommernes advokatfirma DA as legal advisor of the Transaction. This Presentation should be seen together with the summons for bondholders’ meetings and the restructuring term sheet attached to the summons.

This Presentation is not in itself an offer to sell or a solicitation of an offer to buy any securities. No due diligence investigations have been carried out by the Managers with respect to the Company, and the Managers expressly disclaim any and all liability whatsoever in connection with the Transaction (including but not limited to the information contained herein).

Accuracy of information and limitation of liability:

We have assimilated the information contained herein from various sources and unless stated the information is a result of our own activities. We have taken reasonable care to ensure that, and to the best of our knowledge as of 22nd June 2017, material information contained herein is in accordance with the facts and contains no omission likely to affect its understanding.

Please note that we make no assurance that the assumptions underlying forward-looking statements are free from errors. Readers should not place undue reliance on forward-looking information, which will depend on numerous factors, and any reader must make an independent assessment of such projections.

Unless requested, no further information will be verified except as set out herein. The Managers, its parent or subsidiary undertakings or affiliates or any such person’s directors, officers, employees, advisors or representatives shall not have any liability whatsoever arising directly or indirectly from the use of this Presentation and to the extent an investment is made, such investment will be made subject to this limitation of liability.

Risk factors:

Several factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this Presentation. There may also be a limited secondary market for the Bonds which may result in a substantial liquidity risk. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Presentation. Please refer to the Company’s latest annual reports and interim reports for a detailed overview of the risk factors.

Governing law and legal venue:

By investing in our company, any dispute arising in respect of this Presentation is subject to Norwegian law and the exclusive jurisdiction of Norwegian courts.



Contents

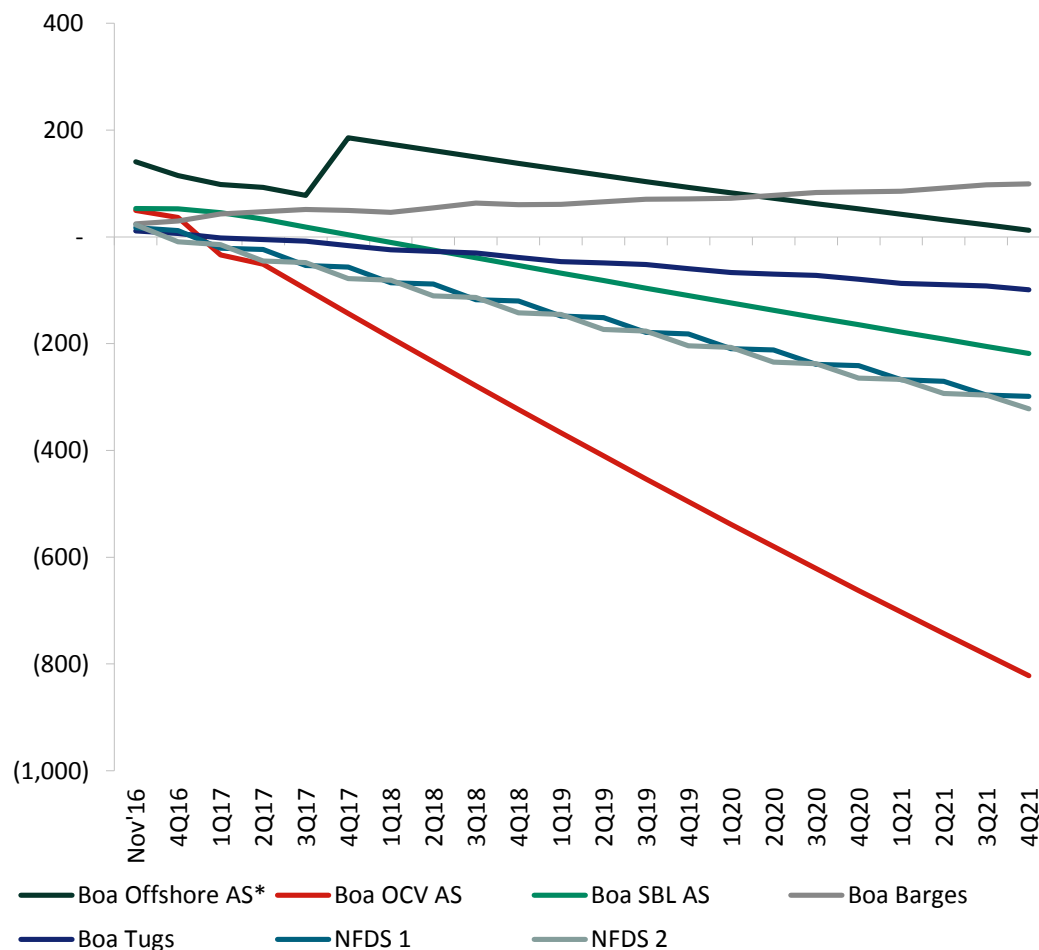
1	Restructuring proposal
2	Company update
3	Appendix

Introduction

- Due to continued weakening of the offshore market, Boa Offshore AS (“**BOFF**” or the “**Company**”) and its subsidiaries (together the “**Group**”, each a “**Group Company**”) needs to address its capital structure
 - Liquidity position critical both at Group level and for certain entities
 - Each company within the Group must consider basis for continued operations and orderly payment of creditors
 - Since December 2016 the Group has been in constructive discussions with its largest bondholders in each bond as well as its lending banks and GIEK in parallel with continued operations
 - Agreement on terms and principles now reached with the parties involved in these discussions (subject to final credit approval by banks and GIEK), which is put forward as a proposal to the respective bondholders’ meetings for voting
- The significant intercompany loans and guarantees are key for understanding each creditors position
- The key principles for the proposed financial restructuring are:
 - Create a safe harbor throughout 2020
 - Equal treatment of unsecured creditors
 - Divide banks and bondholders into 2 separated legs
 - Cancel all major interdependencies through group structure incl. intercompany debt and bank guarantees
 - Secured creditors to retain principal claim (i.e. par value) and security position
 - Distribute values and cash based on respective creditors legal position
 - Mechanism for bondholders to have additional upside prior to ultimate owner (“Rest Claim” and “Legal Claim”)
- The bondholders’ meetings are scheduled for 7th July 2017 and the following signed voting undertakings have been provided to the Group in the respective bonds:
 - Boa Unsecured Bond 37.2%
 - Boa OCV 66.3%
 - Boa SBL 38.8%
 - Boa Subordinated Bond 75.3%

Initiation of financial restructuring was announced 29 November 2016

Estimated cash development¹ (NOKm)

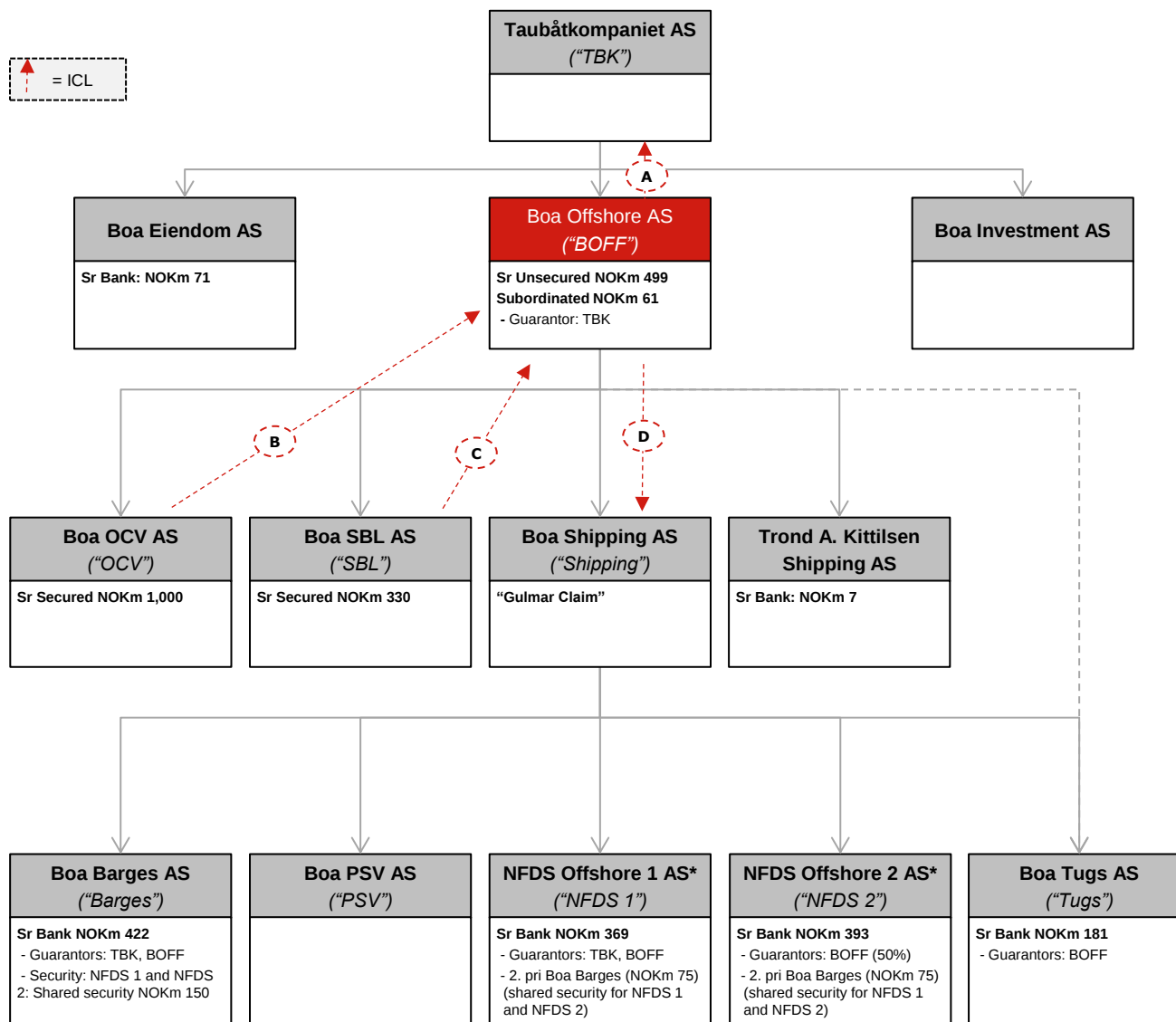


- Graph showing the Group's estimated cash development per company at the time the restructuring process was initiated 29 November 2016
- Liquidity position severe both at Group level and per entity
- Distribution of cash between Group Companies not advisable, and urgent actions needed in order to manage the situation
- Following announcement of financial restructuring:
 - No payment of interest and amortization to bondholders and intercompany creditors
 - Servicing of financial debt in other group companies dependent on the financial position of the relevant Group Company
- Initiated simultaneous discussions with a representative selection of creditors representing each of the outstanding bond loans issued by the Group as well as the lending banks to the Group

*Including cash in Boa Offshore, Boa PSV and Boa Shipping

1) As-is as of November 29, 2016 is based on lay-up scenario including all amortizations (bullets assumed refinanced) and interest payments according to current loan agreements

Simplified debt overview at announcement of restructuring



Comments

- Presented corporate structure simplified, including key vehicles from a value perspective
- Significant intercompany loans ("ICL") and guarantees
- Most significant intercompany loans:
 - TBK: NOKm 147 loan from BOFF (A)
 - BOFF: NOKm 566 loan from OCV (B), NOKm 114 loan from SBL (C)
 - Shipping: NOKm 1,009 loan from BOFF (D)
- Guarantees:
 - TBK guarantor for NFDS 1 facility, Barges facility and Subordinated Bond
 - BOFF guarantor for NFDS 1 facility, NFDS 2 facility (50%), Barges facility and Tugs facility
- Ultimate owners hold a portion of the Senior Unsecured Bond Loan issued by Boa Offshore

This debt situation forming the basis for each creditors position to be applied in the financial restructuring

Guiding principles Bonds

- Provide a safe harbour for the assets with liquidity in respective companies during the downturn, and keep key personnel to preserve and explore market opportunities for the vessels as they arise
- Enable the respective group companies to be self preserving and independent upon each other
- Cancel all major interdependencies throughout the corporate structure (settle/convert intragroup loans and release downstream bank guaranties)
- Banks/GIEK to discharge NOKm 1,169 of claims in Boa Offshore AS
- Distribute freely available cash in Boa Offshore AS, Boa PSV AS and Boa Shipping AS in excess of the minimum required for business pro rata to creditors with remaining senior claims in Boa Offshore based on principles for equal treatment
- All material assets in Taubåtkompaniet group (outside Boa Offshore AS) to be sold in a structured manner, to repay claims pro rata according to ranking with all proceeds from such sale
- Rest Claim in Boa Offshore AS to be paid before any payment to shareholder (pro rata cash sweep mechanism)
- The Legal Recovery Claim constitutes a profit sharing agreement in relation to any recovery from the ongoing legal claims towards Noryard Fosen AS/Fevamontinico S.a.r.l. and Color Line AS with pre-defined pay out structure with respect to Boa OCV AS, Boa SBL AS and Boa Offshore AS unsecured bondholders
- Each secured bond loan may take control over the vessels at any time
- No haircut on principals for secured debt
- Cash sweep on Rest Claim in Boa Offshore AS, hence no fixed cash payments
- Maturity dates on secured bonds extended throughout 2020

Guiding principles banks loans

- Make Boa Barges AS independent from Boa Offshore AS, through transfer of staff and software into Boa Management Newco linked to Boa Barges AS
- Continue the sales process of AHTS vessels owned by NFDS 1 and NFDS 2 in order to discharge attached debt
- Initiated sales process for parts of the Boa Tugs fleet in order to repay debt and provide liquidity to the group
- If necessary Boa Barges to cover operating costs and interest costs for bank facilities in NFDS 1, NFDS 2 twelve months following amendments (to secure time for sale process of Boa Bison and Boa Jarl) and Tugs in period with no or negative cash flows
- Postpone 50% of amortization for Boa Barges, 100% for Boa Tugs, 100% for NFDS 1 and 100% for NFDS 2 throughout 2020 or until the sale of the AHTSs
 - Boa and banks shall agree to a suitable amortization schedule following such sale
- Dividend restrictions in bank facilities
- Cancel all major interdependencies throughout the corporate structure (settle/convert intragroup loans and release downstream bank guaranties)
- Banks to release all guarantees in Boa Offshore and Taubåtkompaniet
- Parts of Gulmar claim will be pledged to banks as security under the NFDS 1 and NFDS 2 facilities

The financial restructuring - overview

1

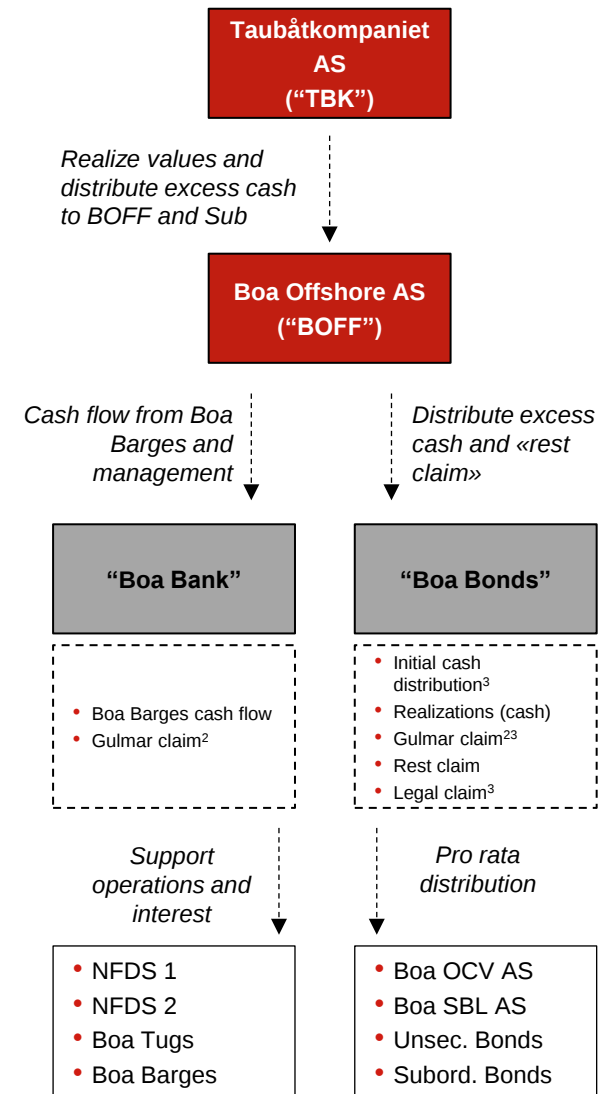
- Division of entities (and creditors) into two legs: “Boa Bank” and “Boa Bonds”
 - Cancel all major interdependencies throughout the corporate structure (settle/convert intragroup loans and release downstream bank guaranties)¹
 - Secured creditors to retain principal claim (i.e. par value)
- Transfer personnel and software from Boa Offshore AS to Management Newco, which will be the manager of all vessels with revised management fees

2

- Distribute values and cash in BOFF (including Boa PSV and Boa Shipping) and TBK based on respective legal creditors position:
 - “Boa Bank” to be provided with Boa Barges and connected cash flows + management
 - “Boa Bonds” to be provided with:
 - Excess cash in BOFF³
 - Cash from realization of values Boa Offshore (including part of Gulmar claim) and TBK
 - A “Rest claim” in Boa Offshore
 - A “Legal Claim”
 - The creditors in TBK (BOFF ICL and Sub. bonds) will receive a pro-rata distribution from the realization of all assets in TBK (excluding BOFF)

3

- Cash in BOFF to be distributed immediately, cash from realizations of assets in TBK distributed as they arrive (expected in 3Q and 4Q 2017)
- “Rest claim” in BOFF shall be repaid prior to any distribution to shareholders
- “Boa Bonds” proceeds and claims to be distributed pro rata among creditors and paid to Boa OCV, Boa SBL and bondholders in BOFF unsec. and sub.
- Management incentive rest claim ranks super senior to senior rest claim and subordinated bond rest claim ranks subordinated to senior rest claim
- Secured bondholders with right to take the shares in the vessel owners at any time



1) Except for two existing parent company guarantees from Boa Offshore AS for contracts in Boa Barges AS. 2) Parts of Gulmar claim will be pledged to banks as security under the NFDS 1 and NFDS 2 facilities. 3) Not applicable for Sub Bond

Creditors relative position and benefits of proposed solution

Creditors relative position

Secured creditors

- Based on an analysis of creditor positions in an unwinding scenario given the prevailing market conditions for the offshore industry, secured creditors in the Boa Group will (possibly apart from Boa Barges) not be able to get full coverage from pledged assets
- This means that all secured creditors (and/or subsidiaries having issued secured debt) will seek to obtain additional recovery through enforcing upon guarantees and/or through accelerating intercompany loans towards BOFF and/or TBK

Unsecured creditors BOFF

- As all secured creditors would be expected to enforce their guarantees and/or intercompany debt in BOFF, this will imply that a substantial amount of equally ranked unsecured claims will be “competing” for recovery
- Total claims towards BOFF¹⁾ equaled close to NOKm 2,500 (excluding any supplier debt or other creditors) meaning that the expected position of each bond vs total claims will be low:
 - Unsecured Bonds: 20% of total claims (499/2,499)
 - Boa OCV ICL: 23% of total claims (566/2,499)
 - Boa SBL ICL: 5% of total claims (114/2,499)
- No recovery expected for Subordinated Bonds in BOFF, however guarantee from TBK will provide recovery

Unsecured creditors TBK

- As all secured creditors would be expected to enforce their guarantees and/or intercompany debt in TBK, a substantial amount of equally ranked unsecured claims will be “competing” for recovery
- Total claims towards TBK equal close to NOKm 1,000 (excluding any supplier debt or other creditors) meaning that expected coverage will be low:
 - Subordinated Bonds: 6% of total claims (61/999)
 - BOFF: 15% of total claims (114/999)

Benefits

- The main benefit (and one of the key parameters) from the proposed solution is that the lending banks/GIEK are willing to discharge their claims and guarantees towards BOFF and TBK. This implies that there can be a distribution which will be shared among fewer creditors, increasing the share for all bond creditors of values distributed in the solution
- For TBK, distribution towards Subordinated bonds will increase from calculated 6% to 29%, equally distribution towards BOFF will increase from 15% to 71% (which benefits the bond creditors in BOFF)
- Distributions in BOFF will increase considerably as approx. NOKm 1,320 (of approx. NOKm 2,500) of claims are discharged:
 - Unsecured bond's share of total claims: from 20% to 42%
 - Boa OCV ICL share total claims: from 23% to 48%
 - Boa SBL ICL share of total claims: from 5% to 10%
- Furthermore a solution removes the risk of uncontrolled unwinding where a number of additional supplier and customers may have additional claims towards respective group companies, potentially diluting recoveries
- Cancel all major interdependencies throughout the corporate structure (settle/convert intragroup loans and release downstream bank guaranties)

Calculation of distribution ratio from BOFF and TBK

Calculation of distribution ratio from Boa Offshore AS (“BOFF”)

Pari passu loans and guarantees BOFF

Sr Unsecured creditors	Claim (NOKm)	
Sr Unsecured Bond	499	20 %
Boa OCV AS ICL	566	23 %
Boa SBL AS ICL	114	5 %
Boa Barges AS ICL	41	2 %
Boa PSV AS	110	4 %
NFDS Offshore 1 guarantee ¹	369	15 %
NFDS Offshore 2 guarantee ¹	197	8 %
Boa Barges guarantee ¹	422	17 %
Boa Tugs guarantee ¹	181	7 %
Total 2,499		

Claims with distribution from BOFF

Guarantees of approx. NOKm 1,169 discharged by the banks in order to increase pro rata distribution of cash and rest claims to bondholders

Sr Unsecured creditors	Claim (NOKm)
Sr Unsecured Bond	499
Boa OCV AS	566
Boa SBL AS	114
Total 1,179	

Distribution ratio

Sr Unsecured Bond	42 %
Boa OCV AS	48 %
Boa SBL AS	10 %

Calculation of distribution ratio from Taubåtkompaniet AS (“TBK”)

All pari passu loans and guarantees TBK

Sr Unsecured creditors	Claim (NOKm)	
Boa Offshore AS ICL	147	15 %
Subordinated Bond	61	6 %
NFDS Offshore 1 guarantee ¹	369	37 %
Boa Barges guarantee ¹	422	42 %
Total 999		

Claims with distribution from TBK

Guarantees of approx. NOKm 791 discharged by the banks in order to increase pro rata distribution of cash and rest claims to bondholders

Sr Unsecured creditors	Claim (NOKm)
Boa Offshore AS	147
Subordinated Bond	61
Total 208	

Distribution ratio

Boa Offshore AS	71 %
Subordinated Bond	29 %

Cash distribution to creditors and “Rest Claim¹” and “Legal Claim”

Cash distribution TBK (NOKm)

Calculation of cash sources Taubåtkomaniet

Source	Cash	Future	Total
Cash	-	-	-
Realisation Eiendom&Investment*		95	95
Total	-	95	95

Distribution

Boa Offshore (71%)	-	67	67
Subordinated Bond (29%)	-	28	28
Total		95	95

Cash distribution BOFF (NOKm)

Calculation of cash sources Boa Offshore As

Source	Cash	Future	Total
Cash BOFF	79	-	79
Cash PSV	45	-	45
Cash Shipping	2	-	2
Cash from TBK	-	67	67
Gulmar proceeds ³	104	-	104
less: WC/costs/buffer	-52	-	-52
Total⁴	179	67	246

Distribution

Sr Unsecured Bond (42%)	76	28	104
Boa OCV AS (48%)	86	32	118
Boa SBL AS (10%)	17	6	24
Total	179	67	246

Specification BOFF/Boa Management AS WC/costs/buffer:

In order to ensure that BOFF and Boa Management AS are enabled to fulfill their obligations throughout the planning period (through 2020), it is necessary to withhold NOK 52m, consisting of:

- Legal processes NOKm 21.5
- Contingency NOKm 5m per year, total NOKm 20m
- Downscaling costs/negative EBITDA NOKm 7.9
- Transaction costs BOFF NOKm 1.2
- Buyback of subordinated bonds from employees NOKm 1.5 (not senior management)

Possible positive budget effects will benefit creditors through cash sweep mechanism in rest claim

Direct “Rest claim” distribution (NOKm)

Distribution Table Rest Claim ²	Claim	Ratio
Boa OCV (48% Sr)	566	46 %
Boa SBL (10% Sr)	114	9 %
Unsecured Bond (42% Sr)	499	40 %
Subordinated Bond	61	5 %
Total	1,240	100 %

Recipient	Ratio	Amount
Boa OCV (48% Sr)	46 %	132
Boa SBL (10% Sr)	9 %	27
Unsecured Bond (42% Sr)	40 %	117
Subordinated Bond	5 %	14
Total excl. Mgmt incentives	100%	290
Management incentives	n/a	10.5
Total incl. Mgmt incentives	n/a	300

Direct “Legal claim” distribution

Distribution Table BOFF	Claim	Ratio
Boa OCV	566	48%
Boa SBL	114	10%
Unsecured Bond	499	42%
Total	1,179	100%

*Including redistribution of cash (estimated at NOKm 7) received from Boa Eiendom holding of BOFF Unsec bonds of NOKm 31.5 nominal value (following the Initial Cash Distribution on the Completion Date monetary claims from Owner's Bonds to be assigned to Boa Eiendom AS for full repayment of debt (after which Boa Eiendom AS will own Unsecured Bonds with a total par value of NOK 138.5 million). Management estimates on values and distributions expected to occur in 3Q and 4Q 2017.

1) Please refer to terms and conditions in the restructuring term sheet 2) Calculation of senior claim and subordinated claim: Current creditors claims towards BOFF: Senior NOKm 1,179 (OCV: NOKm 566, SBL NOKm 114, Sr Unsec bond NOKm 499); Subordinated NOKm 61.1 (Subordinated bond); Total senior and subordinated: NOKm 1,240. Ratio Senior rest claim = $1,179 / 1,240 = 95\%$, ratio Subordinated rest claim = $61 / 1,240 = 5\%$; 3) Net Gulmar proceeds to BOFF after NOK 31m pledged to banks for the NFDS 1 & 2 facilities; 4) Please note that total amount distributed includes values from BOFF to TBK and back to BOFF again twice (the sum equals 71% (BOFF share) of the funds received by TBK under distribution to Unsec bonds

Key terms for Rest Claim and Legal Claim in Boa Offshore AS

Rest claim

- Rationale Rest Claim
 - Rest claims will offer OCV- and SBL bondholders additional recovery and at the same time substantially increase potential distribution to unsecured bonds and sub bonds
 - Rest claim calculated on a pro rata basis for OCV, SBL, unsecured bonds and sub bonds according to creditor positions as of announcement of the financial restructuring proposal
 - Size of rest claim also providing some incentive left to ultimate owner following restructuring
- The NOKm 300 Rest Claim divided in the following tranches:
 - NOKm 10.5 Management Incentive tranche (super senior rest claim, to be fully repaid prior to distribution to other rest claim tranches)
 - NOKm 132.1 OCV Bond (senior rest claim)
 - NOKm 26.6 SBL Bond (senior rest claim)
 - NOKm 116.5 Unsec Bond (senior rest claim)
 - NOKm 14.2 Sub Bond (subordinated rest claim)
- Key terms for Rest Claim (OCV and SBL bonds):
 1. 30 year tenor thereafter cancelled
 2. Cash sweep
 3. PIK interest rate 1.5% p.a.
 4. Senior Unsecured with limited ability to declare default and require prepayment due to a BOFF default
 5. Adjustment mechanism for rest claim if OCV/SBL bondholders uses right to take over respective issuers/vessels
- Key terms for Rest Claim (Senior unsecured bonds in BOFF):
 - As per bullet 1 to 4 above
- Key terms for Rest Claim (Subordinated bonds in BOFF):
 - As per bullet 1 to 3
 - Subordinated

Legal claim

- The Legal Recovery Claim constitutes a profit sharing agreement in relation to any recovery from the ongoing legal claims towards Noryard Fosen AS/Fevamontinico S.a.r.l. in relation to the cancellation of an IMR vessel and Color Line AS due to breach of EEA agreement articles 53 and 54
- Please see Appendix for more details

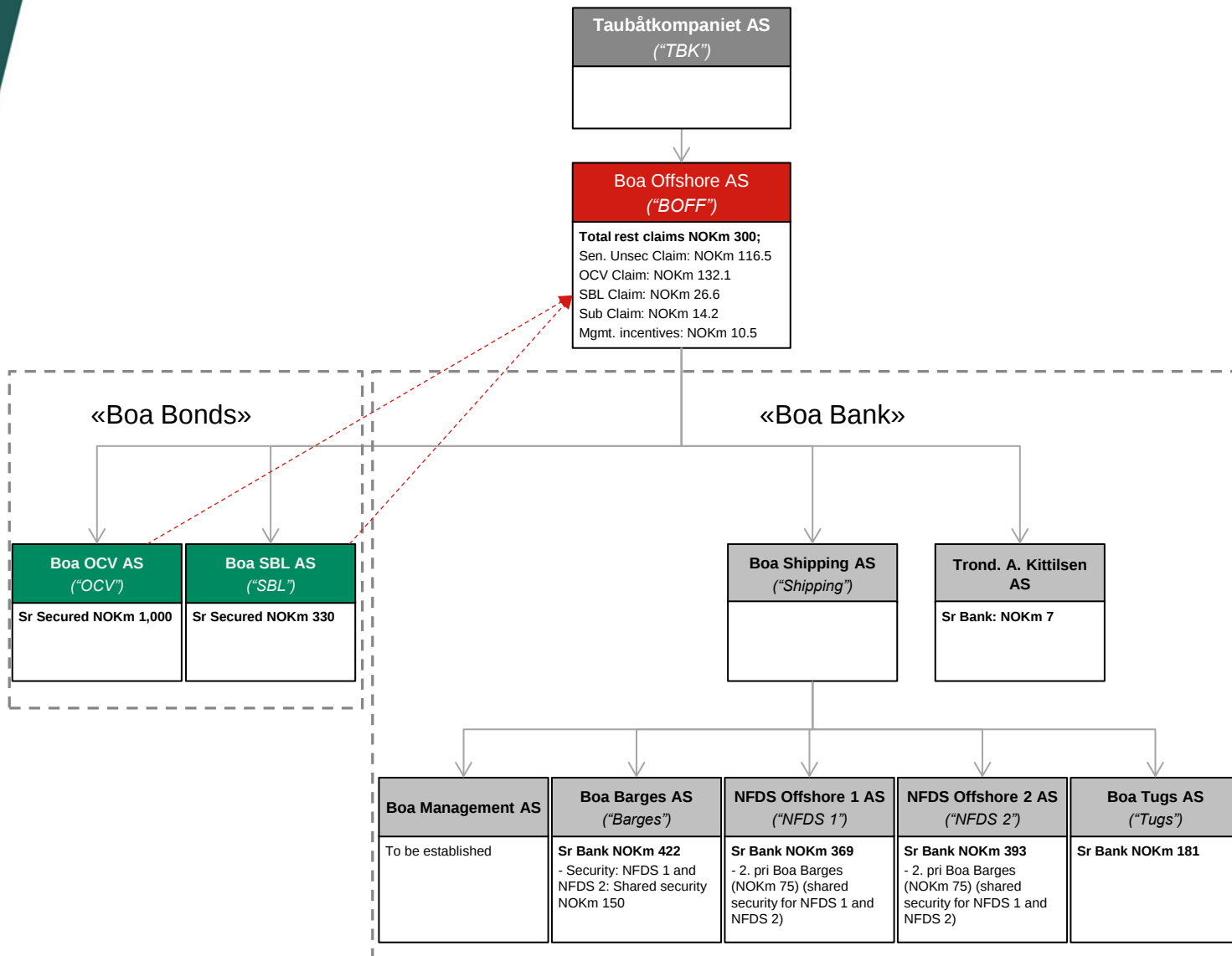
Summary of concessions and distributions from restructuring

	Concessions	Principal ¹ and new interest rate	Estimated initial cash from BOFF	Estimated distribution from sale of TBK assets ²	Rest Claim ³	Recovery from any Legal Claims (fractional share)	Other
OCV Bonds	Maturity 31.12.2020 No amortization No cash interest No financial covenants Limited recourse BOFF	NOKm 1,000 9.75% PIK interest	NOKm 82.2 ⁴ paid through Boa OCV ICL Distributed to Boa OCV AS	NOKm 32.3 paid through Boa OCV ICL Distributed to Boa OCV AS	NOKm 132.1 ⁷ through Boa OCV ICL 1.5% PIK, 30 years Distributed to Boa OCV AS from cash generated in BOFF	48% paid through Boa OCV ICL Distributed to Boa OCV AS	Right to take all shares in Issuer Rest Claim ⁵ and Legal Claim being additional upside to initial cash distribution from BOFF and distribution from TBK realization
SBL Bonds	Maturity 31.12.2020 No amortization No cash interest No financial covenants Limited recourse BOFF	NOKm 330 9.75% PIK interest	NOKm 13.7 ⁴ paid through Boa SBL ICL Distributed to BOA SBL AS	NOKm 6.5 paid through Boa SBL ICL Distributed to BOA SBL AS	NOKm 26.6 ⁷ through Boa SBL ICL 1.5% PIK, 30 years Distributed to Boa SBL AS from cash generated in BOFF	9.7% paid through Boa SBL ICL Distributed to Boa SB AS	Right to take all shares in Issuer Rest Claim ⁵ and Legal Claim being additional upside to initial cash distribution from BOFF and distribution from TBK realization
Unsecured Bonds	The remaining claims under the bond agreement will be limited to (i) initial cash distribution from BOFF, (ii) cash distribution from TBK realization, (iii) the Rest Claim, and (iv) recovery from any Legal Claims, but the principal amount will remain for the sole purpose of facilitating distributions. The NOKm 499 principal should be viewed as a cap on recovery rather than full claim as the Bonds will be formally discharged after 30 years from Completion Date regardless of the amount of repayment received by bondholders.	NOKm 499 ⁶	NOKm 75.6 (15.2% of principal) Distributed to bondholders	NOKm 28.4 (5.7% of principal) Distributed to bondholders	NOKm 116.5 (23.3% of principal) 1.5% PIK, 30 years Distributed to bondholders from cash generated in BOFF	42.3% Distributed to bondholders	Rest Claim ⁵ and Legal Claim being additional upside to initial cash distribution from BOFF and distribution from TBK realization
Subordinated Bonds	The remaining claims under the bond agreement will be limited to (i) cash distribution from TBK realization, and (ii) the Rest Claim, but the principal amount will remain for the sole purpose of facilitating distributions. The NOKm 61.1 principal should be viewed as a cap on recovery rather than full claim as the Bonds will be formally discharged after 30 years from Completion Date regardless of the amount of repayment received by bondholders.	NOKm 61.1 ⁶	-	NOKm 27.8 (45.6% of principal) Distributed to bondholders	NOKm 14.2 (subord. (23.3% of principal) 1.5% PIK, 30 years) Distributed to bondholders from cash generated in BOFF	-	Rest Claim will be additional upside to cash distribution from TBK realization Rest Claim for Sub Bonds will be subordinated in payment vs Rest Claim for the other bonds
Banks (See appendix for further details)	Discharging bank guarantees of NOKm 1,169 in Boa Offshore AS Discharging bank guarantees of NOKm 791 in TBK Postpone amortizations in Boa Barges, Boa Tugs and NFDS 1 and NFDS 2	-	NOKm 30.5 (Gulmar)	-	-	-	All earnings from Boa Barges and Boa Tugs and NFDS 1 and NFDS 2 Management Newco Right to sell AHTS vessels

1) Excluding accrued interest which will be PIKed 2) Distribution is expected to occur in Q3 and Q4 2017 3) The primary source of distribution on Rest Claim is expected to be future dividend from Barges/other bank leg subs, and any dividends are uncertain and may be restricted in bank facilities 4) Net of funding of management incentives of NOK 3.5m compared to slide 12 5) Management incentive rest claim ranks super senior to senior rest claim 6) After deletion of BOFF owned bonds 7) Boa OCV AS ICL and Boa SBL AS ICL are NOKm 566 and NOKm 114m prior to this restructuring



Simplified Boa Group structure post restructuring

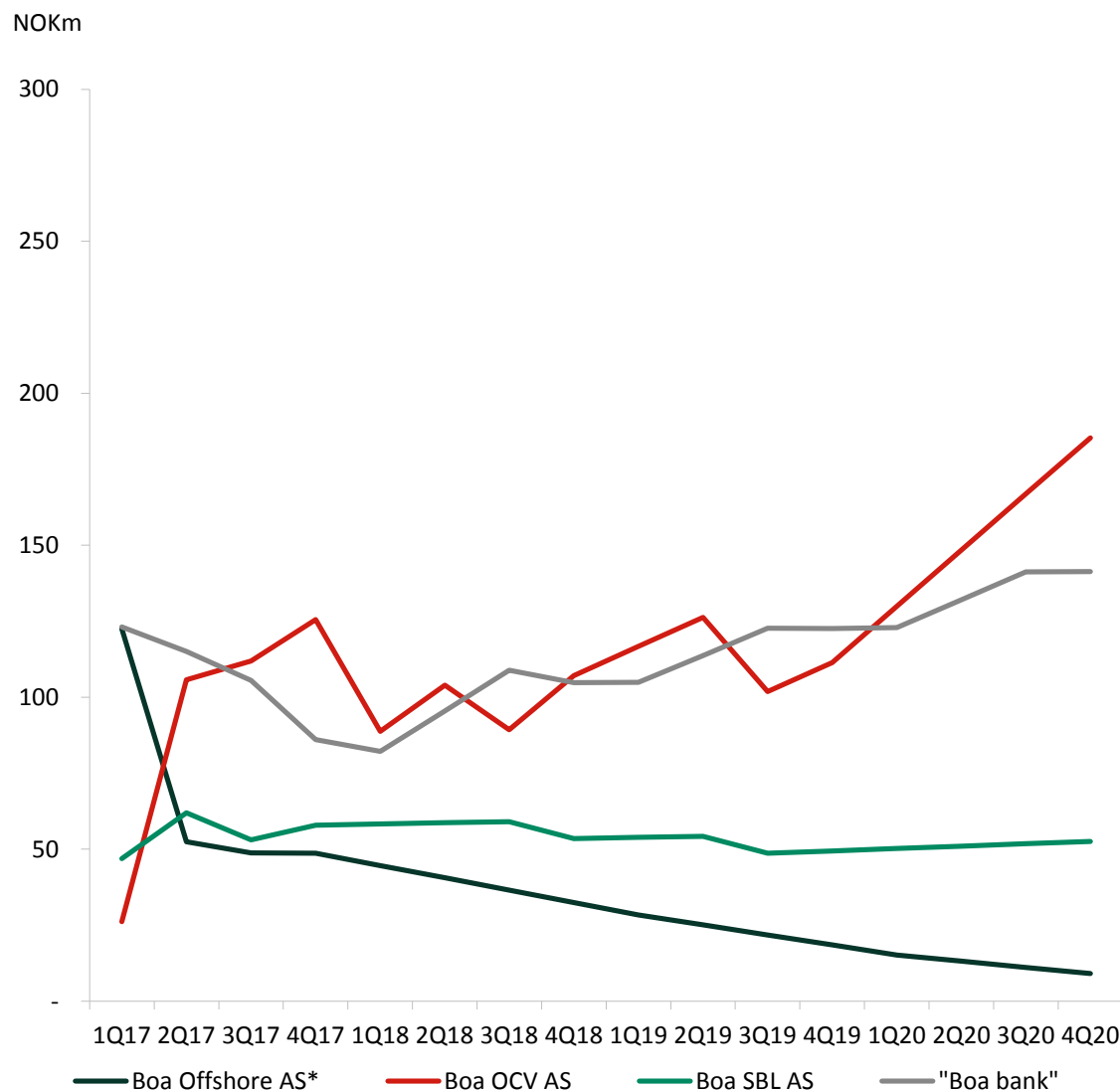


Comments

- Cancel all major interdependencies through group structure incl. intercompany debt and bank guarantees
- Rest claim in BOFF distributed as four separate loans
 - Sr Unsecured bond loan restated to reflect terms in rest claim
 - Subordinated bond loan restated to reflect terms in rest claim
 - ICL from OCV restated to reflect terms in rest claim
 - ICL from SBL restated to reflect terms in rest claim
- To be established "Boa Management AS" to perform all management within the Group and employer of personnel

Financial forecast post restructuring incl. Gulmar & TBK realization

Liquidity development per entity¹



Comments

- The liquidity is expected to improve significantly following the proposed restructuring
- Boa Barges is funding the negative cash flows in NFDS 1, NFDS 2 and Boa Tugs
- All group companies have runway well into 2020 in a lay-up scenario (excluding classing)

Assumptions

- No debt service for the Boa OCV or Boa SBL bonds
- Boa Bank:
 - 100% interest and 50% of original amortization for Boa Barges
 - 100% interest and 0% of original amortization for Boa Tugs, (guaranteed by Boa Barges)
 - 100% interest and 0% of original amortization for NFDS 1 and 2, (guaranteed by Boa Barges)
- NFDS 1 and NFDS 2 are assumed sold end 2017
- The graph include funding of classing for all offshore vessels
- Initial cash distribution and expected cash flows paid out as per schedule 3 in the summons

*Boa Offshore AS and Management Newco. 1) Management estimates. Assumes one SBL vessel in operations and two OCV vessels (with a certain/modest recovery in dayrates from 2020). Excluding payments under the applicable cash sweep and potential revised debt service for banks according to term sheet.

Management Agreements for BOA Offshore group

Services provided

- Commercial and technical management of the Vessels, including
 - sales and marketing
 - technical
 - engineering
 - HSEQ
 - finance and administration services
 - crewing

Pre restructure costs

- The management fee for the commercial and technical management is on arms length basis with a management fee typically based on actual cost incurred plus a mark-up of minimum 2.5% on crew and 8.8% related to other costs, distributed with actual resource usage per entity with 12 months termination clauses
- The fee for engineering and project services are based on arms length principle and time consumed

Revised terms

- Management services for all vessels will be performed by the Management Newco, which will continue to offer all current services provided to the Group companies
- Management Newco to undertake commercial and technical management of the Group's vessels (incl. sales and marketing, technical, engineering, HSEQ, finance and admin services, crewing)
- Management agreement to be based on standard BIMCO terms with revised terms and actual crew cost + 2.5%
- 3 months cancellation notice for Boa OCV and Boa SBL bondholders
- Shares over Management Newco may be pledged as security for bank creditors

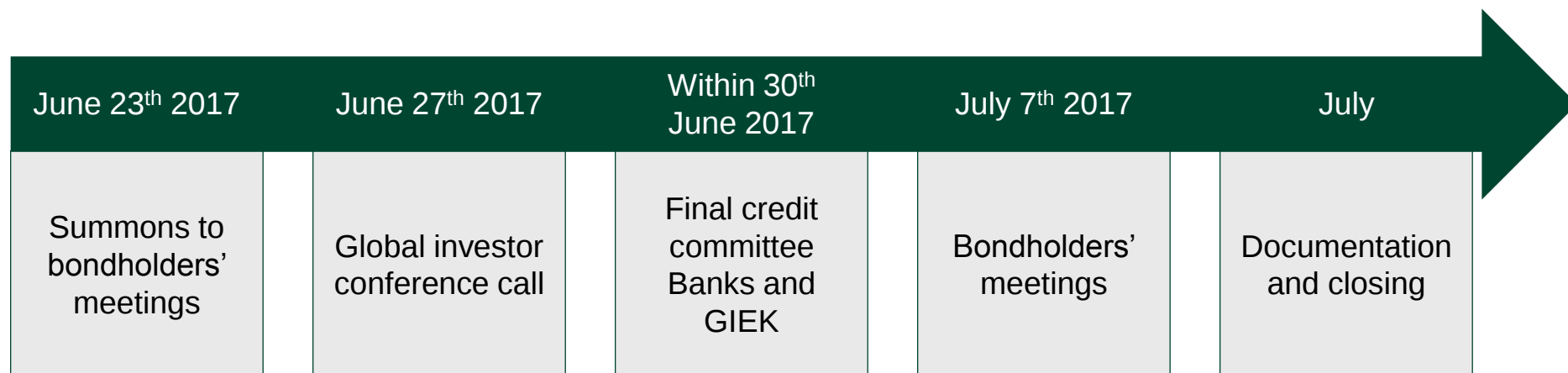
Revised management fees

(NOKm p.a.)	2016	2017	2018
Boa OCV AS	24.0	16.0	16.0
Boa SBL AS	12.0	12.0	12.0
NFDS Offshore 1 AS	7.5	7.0	
NFDS Offshore 2 AS	7.5	7.0	
Boa Tugs AS	10.0	11.0	11.0
Boa Barges AS	12.0	22.0	22.0
Total	73.0	75.0	61.0

- Revised costs based on lay-up case for offshore vessels
- If contracts, management fees might need to be revised to cover additional costs



Indicative process and timeline





Contents

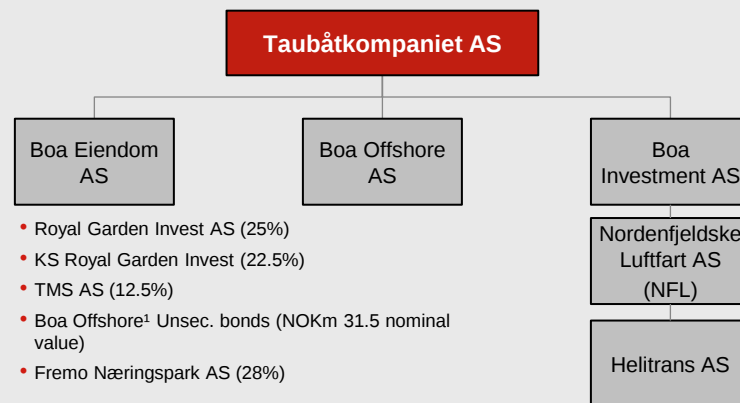
1	Restructuring proposal
2	Company update
3	Appendix

Boa Offshore AS

- Boa Offshore AS is the management company of the Taubåtkompaniet Group and the parent company of the Boa Group
- Boa Group currently employs 208 man-labour years vs. total man-labour years of 411 per end of 2015
- Initiatives and actions taken to reduce costs
 - Lay-up of vessels and sale of certain assets and businesses
 - Other cost cutting initiatives include renegotiated agreements with suppliers, downscaling of administration and sea crew
- The company holds limited material assets on its balance sheet, except ownership in its subsidiaries
- The administration represents 40 years of vessel management with additional engineering and project execution capabilities in addition to providing corporate services for the Group's asset
 - Management of vessels to be transferred to Management Newco as part of the restructuring
- Boa Offshore has an existing management agreement with TBK, which as a part of the restructuring will be transferred from BOFF to Management Newco (terms to be amended)
 - Management fee to TBK to be reduced to NOKm 5 per year
- Boa Shipping AS received approximately USDm 16 as dividend on its claim against Gulmar Offshore Middle East Co LLC ("Gulmar")
 - The claim relates back to 2009 when the charter contract for the vessel Boa Rover was cancelled and disputed by Boa Shipping AS
 - Funds in escrow until restructuring process agreed upon
- Ongoing legal cases with regards to release of re-fund guarantees in connection with cancellation of Boa IMR newbuilding contract and Color Line breach of EEA agreements
 - Potential proceeds to be distributed through "Legal Claim"
- BOFF EBITDA 1Q17 of NOKm 4
- Cash per 19 June of NOKm 120.3 (BOFF, Boa PSV, and Boa Shipping)
- Total market value of fleet approximately NOKbn 4

Taubåtkompaniet AS in brief

- Taubåtkompaniet AS is the ultimate holding owned and controlled by Ole T. Bjørnevik
- The Royal Garden hotel is centrally located in Trondheim and is leased out to Rezidor Hotels on a long term contract
- Fremo Næringspark is a business park with storage facilities located outside of Trondheim, and TBK also owns a minority stake in office building TMS
- Helicopter business includes NFL which is one Norway's largest owners of helicopters (11 as of today)
- The board of TBK has approved to dispose all assets in the TBK group in order to settle claims
 - Helitrans, the operating and management part of the helicopter business, was sold in 1Q17 with continued dry lease from NFL
 - TMS sold in 2Q17
 - Approx. NOKm 30m expected distributed in 3Q'17
- Sales process will continue post restructuring and realizations will be distributed to bondholders, expected 3Q and 4Q'17
- Valuation analysis indicates the total net asset values in TBK (excl. Boa Offshore AS) of approx. NOKm 80-120 in TBK



All companies owned 100% except otherwise stated. Non-operative companies omitted for clarity

1) Following the initial cash distribution NOKm 107 of nominal value of Unsec. Bonds will be assigned to Boa Eiendom AS and total holding will be NOKm 138.5 of nominal value (ie Rest Claim and Legal Claim)



Company update (2/4)

Boa OCV AS

- Boa OCV AS is the holding company for two of the world's most high specification OCVs
- Management of the vessels performed by Boa Offshore including external and internal project management solutions, engineering and services
- Market outlook remains challenging short to medium term with little uptick in general tendering activity despite increase in oil price from early 2016
 - Boa Deep C commences 120 days firm contract + options in West Africa late June 2017
 - Boa Sub C commenced 140 days firm contract + options in late April in the Southern part of the North Sea
- The yearly amortization of NOKm 100 and interest expense of NOKm ~65 put severe pressure on the liquidity during 2016 and was stopped effective from 29th November until restructuring in place
 - The cash covenant was breached in Q4'2016
- Boa Sub C and Boa Deep C are due for classing in 2017 and 2019 respectively
 - Current scope suggest an estimated cost of approx. NOKm 70 in total for both vessels (expected NOKm 36 for Sub C and NOKm 34 for Deep C)
 - Classing of SUBC has been partly performed with remaining part set for 4Q17
- Both vessels currently actively marketed for new assignments from 4Q17
- Lay-up will be considered unless profitable contracts arise, which provides some flexibility w.r.t. timing of classing for Deep C
- Latest total market value for both OCV vessels of NOKbn 1.46
- Boa OCV EBITDA 1Q17 of NOKm 25
- Positive net working capital* of NOKm 32 as a result of performed contracts for both Boa Deep C and Boa Sub C in 1Q17
- Cash per 19 June of NOKm 19.4

Boa SBL AS

- Boa SBL AS is the holding company for two of the world's first custom built vessels for seabed logging operations
- Boa Thalassa, built in 2008, signed a new 2 year firm with 3 six month options contract with EMGS in January 17
 - Commencement 1st October 2017 at latest. Currently ready stacked after previous contract with EMGS expired in April 2017
- Boa Galatea, built in 2009, was redelivered by EMGS early 2016 and is currently in lay up
- Management of the vessels is performed by Boa Offshore AS including external and internal project management solutions, engineering and services
- The market for these vessels remains challenging, with few opportunities for employment in alternative markets at economically satisfactory terms
- Due for dry docking in 2018 and 2019 where current scope suggest a cost of approx. NOKm 12 for both vessels in total
 - No classing of Galatea to be carried out until new contract is secured
 - Capex of NOKm 6 expected for each vessel
- Latest total market value for both SBL vessels of NOKm 400
- Boa SBL EBITDA 1Q17 of NOKm 1
- Positive net working capital* of NOKm 11
- Cash per 19 June of NOKm 48.7

Boa Barges business

- Boa Group today operates 20 barges of different capabilities worldwide – the largest eleven is owned by Boa Barges AS
 - Boa Barges AS is a leading player in the global heavy lift market
- Total fleet value for Boa Barges AS is estimated to be NOKm 862 according to the latest broker values (31.12.2016)
- Continuous renewal of barge fleet since 1999 with the latest delivery year end 2015
- Boa Offshore offers a unique combination of barges and tugs to provide total turn-key projects for transportation, launching or dry docking operations by barges
 - Built up an in-house engineering capacity that is unique in the industry performed from Trondheim and Houston
 - From 2002 Boa Offshore Group developed its own in-house design, giving substantial competitive advantages
- High backlog provides stable EBITDA in 2016 to 2018
- High bidding and tendering activity for work in 2017 and onwards
 - Prospects outside oil & gas sector, and broader scope in oil & gas
- Given the unit's high profitability the main strategy going forward is to continue to profit on market position
- Boa Barges has a management agreement with BOFF providing all necessary services
- Boa Barges EBITDA 1Q17 of NOKm 38
- Positive net working capital* of NOKm 3
- Cash per 19 June of NOKm 80.2

Boa Tugs business

- The tug business has been the core business of Boa since inception. Boa Tugs AS operates seven tugs and four barges of different capabilities on the coast of Norway and in the North Sea
- The assets consist seven tugs and four barges of:
 - Six ASD tugs with bollard pull 40-105 tons
 - One smaller tug with bollard pull 17 tons
 - Two heavy deck cargo barges (65x17.25x4m)
 - Two deck cargo barges (33.8x14.4x3.2m)
- Boa recently sold the tugs Boa Loke and Boa Siw
- Total fleet value is NOKm 237 according to the latest broker values, the four largest represent 70% of the value
- The market has been challenging in 2016 and expected to be challenging the next years
 - Some increased activity during summer 2017. However, with limited transparency going forward
- Main strategy includes both lay-up of vessels with negative EBITDA contribution and disposal of assets
- Boa Tugs has a management agreement with BOFF providing all necessary services
- Boa Tugs EBITDA 1Q17 of NOKm -5 (neg)
- Positive net working capital* of NOKm 1
- Cash per 19 June of NOKm 16.0

NFDS 1 and NFDS 2 business segment in brief

- NFDS 1 and NFDS 2 are the holding companies for the AHTSs Boa Bison and Boa Jarl, respectively
- Boa Bison, built in 2014, and Boa Jarl, built in 2015, are currently in lay-up in Poland
 - Part of the Group's lay-up strategy, as the AHTS market is currently not profitable
- Management of the vessels performed by Boa Offshore including external and internal project management solutions, engineering and services
- Debt service has put significant pressure on the liquidity and Boa Offshore AS and other companies in the group have provided financial support when needed
- Both AHTS vessels will be marketed for sale
 - Part of the proposed restructuring with Banks/GIEK
- Due for dry docking in 2018 and 2019 with an cost of approx. NOKm 15 in total for both vessels
- Latest total market value for both AHTS vessels is NOKbn 1
- NFDS 1 and NFDS 2 EBITDA 1Q17 of NOKm -6 (neg) and NOKm -5 (neg)
 - Some downscaling cost also included in 1Q17. Lay-up cost to decrease somewhat from 2Q17 onwards
- Cash per 19 June of NOKm 13.2 and NOKm 25.0 for NFDS 1 and NFDS 2, respectively



Contents

1	Restructuring proposal
2	Company update
3	Appendix

Summary of amendments to bank facilities

NFDS facilities (EKN/GIEK/SMN)

- Postpone 100% amortizations on NFDS 1 and NFDS 2 to the earlier of 31 December 2020 and divestment of the AHTSs
- Boa Barges AS to be responsible for interest payments to the earlier of (i) AHTS are sold, and (ii) 12 months following restructuring
- Any rest claim from sale of AHTS remains secured on a 2nd lien on barges
- Guarantees from Boa Offshore and Taubåtkompaniet removed/discharged
- Remove financial covenants on Boa Offshore AS, NFDS 1 and NFDS 2
- Obligation to sell the vessels by end of 2017
- Pro rata share (of total claims pre-restructuring) of Gulmar cash in Boa Offshore to be provided to NFDS 1 and NFDS 2 on completion of restructuring as security under NFDS facilities (such funds may be utilized towards payment of interest, amortizations and costs under the NFDS facilities prior to sale of vessels)

Barge facility (SMN/SNN)

- Transfer of personnel and software from Boa Offshore AS to Boa Management AS, making Boa Barges fully integrated and independent
- Final maturity extended to the 31 December 2020
- Postpone 50% of amortizations (equal to SMN's share of the outstanding principal) to 31 December 2020 (Boa and banks shall agree to a suitable amortization schedule following the sale of the AHTSs)
- Guarantees from Boa Offshore and Taubåtkompaniet removed/discharged
- Boa Barges AS to be responsible for interest payments on the Tugs, NFDS 1 and NFDS 2 facilities until AHTS are sold, for maximum 12 months
- Remove financial covenants on Boa Offshore AS and amend covenants in Boa Barges AS

Tugs facility (SMN)

- Guarantees from Boa Offshore AS discharged
- Final maturity extended to the 31 December 2020
- 100% of amortizations postponed to 31 December 2020 (Boa and banks shall agree to a suitable amortization schedule following the sale of the AHTSs)
- Interest payments funded from Boa Barges
- Remove financial covenants in Boa Offshore AS, and amend covenants in Boa Tugs AS

IMR claim and Kystlink claim

IMR claim

- BOA Offshore's subsidiary BOA IMR AS had ordered an IMR vessel from Noryards Fosen AS
- The building contract was cancelled by BOA IMR AS
- BOA IMR AS has set forth claims against a guarantor, Fevamontinico S.a.r.l., for repayment of advance payments (BOA's equity contribution in the project) made to the yard
- Claims against the guarantor are to be settled through arbitration proceedings in Oslo. Arbitration proceedings have been provisionally scheduled in September 2017
- If successful, net proceeds after collection from the guarantor (likely to necessitate separate legal action in Luxembourg and/or elsewhere) will go to BOA Offshore

Kystlink/Color Line claim

- Nye Kystlink AS has initiated a court process with claims for compensation against Color Line AS and its parent company Color Group AS («Color Group») on the basis of Nye Kystlink AS having incurred losses as a result of Color Line's breach of the EEA agreement articles 53 and 54
- The claim is disputed by Color Line, both on the grounds (A) that the claim is statute-barred and (B) that the other conditions for claims for compensation are not satisfied. The court proceedings have been divided in two, whereas item (A) above (question re. statute-barred claim) is subject to separate proceedings first. Color Line won the case re. item (A) in the District Court. Nye Kystlink has appealed the ruling to Borgarting lagmannsrett. If Nye Kystlink's appeal is successful, the remainder of the case (item B – the questions re. the other conditions for claims for compensation – which have not been subject to proceedings yet) will likely continue in the District Court
- Funding of the court process is needed going forward
- If successful, net proceeds will go to BOA Offshore (being the sole shareholder in Nye Kystlink AS). The case is highly complex, and will likely continue through the court system for a considerable amount of time

Key terms per debt facility as per 29 November 2016

Borrower	Boa Offshore AS	Boa Offshore AS	Boa SBL AS	BOA OCV AS	NFDS 1	NFDS 2	Boa Barges AS	Boa Tugs AS
Creditors	Bondholders	Bondholders	Bondholders	Bondholders	EKN/GIEK/SB1 SMN	EKN/GIEK/SB1 SMN	SB1 SMN/SB1 SNN	SB1 SMN
Guarantor	N/A	Taubåtkompaniet AS	N/A	N/A	Taubåtkompaniet AS, Boa Offshore AS and Det Nordenfjeldske Dampskibsselskab AS	Boa Offshore AS (50%) and Det Nordenfjeldske Dampskibsselskab AS (50%)	Boa Offshore AS and Taubåtkompaniet AS	Boa Offshore AS
Initial loan amount	NOK 500,000,000	NOK 150,000,000	NOK 400,000,000	NOK 1,200,000,000	NOK 402,000,000	NOK 420,000,000	NOK 440,000,000	NOK 185,000,000
Current out. amount	NOK 499,000,000 ¹	NOK 61,060,000 ¹	NOK 330,000,000	NOK 1,000,000,000	NOK 368,500,000	NOK 392,850,000	NOK 421,666,667	NOK 181,145,833
Final maturity date	18 December 2018	20 December 2018	19 April 2018	7 October 2019	July 2026	June 2027	September 2020	December 2019
Status	Sr; unsecured	Sub; unsecured	Sr; secured	Sr; secured	Sr; secured + 2. lien	Sr; secured + 2. lien	Sr; secured	Sr; secured
Coupon	3mN + 675 bps. p.a.	3mN + 1,000 bps. p.a.	3mN + 550 bps. p.a.	3mN + 475 bps. p.a. (2% N floor)	2.56% fixed p.a.+ bank guarantee 3.45% p.a.	3mN + 0.55%+ bank guarantee 3.45% p.a.	3m N + 4.50 %	3m N + 4.50 %
Amortizations	N/A	Free cash above NOK 325m to be swept semi-annual from 31 December 2016. Maximize available cash for 325m cash sweep, first measured Dec 16	5,000,000 per Q	25,000,000 per Q	16,750,000 semi-annual, with postponement of Jul 15 and Jul 16 maturity to Jul 19	17,500,000 semi-annual, with postponement of Dec 15 and Dec 16 maturity to Jun 20	12 Y Profile, NOK 9.167' quarterly from 30.09.2015	12 Y Profile, NOK 3,854' quarterly from 15.03.2015
Financial covenants	Val Adj EQ Ratio >35% Min. Liq. NOK 75m GUD/VAA<20%	Val Adj EQ Ratio >35% Min. Liq. NOK 75m GUD/VAA<20%	ACR>125% Min. Liq. NOK 20m	ACR>125% Min. Liq. NOK 50m	Min. Liq. NOK 15m Val. Adj EQ ratio >30% Market value to Loan > 140% before 31 Dec 17, 125% after 31 Dec 17 Max NIBD/EBITDA: 17x from 31 Dec 2016, step-wise adjusted to 5.5x per 31 Dec 2018	Min. Liq. NOK 15m Val. Adj EQ ratio >30% Val Adj EQ ratio Boa Offshore: >35%. Market value to Loan > 140% before 31 Dec 17, 125% after 31 Dec 17 Max NIBD/EBITDA: 18x from 31 Dec 16, step-wise adjusted to 5.5x per 31 Dec 2017	Booked equity > 30 % FMV > 140 % of outstanding loan NIBD/EBITDA < 4,75 until 31.12.2014, thereafter max. 4.25 Free liquidity NOK 12m Positiv Working capital	Booked equity > 25 % and Guarantors Value adjusted equity > 35 % FMV > 125 % of outstanding loan. Minimum Cash NOK 20m and Guarantor min. NOK 75m. Guarantors Gross unsecured debt to Value adj. Equity < 20 %
Dividend	Max 50% of consolidated net profit, capped at NOK 30m	Max 50% of consolidated net profit, capped at NOK 15m	Not permitted	Restricted to 18mts backlog or NOK100m free cash	Under written consent	Under written consent	Under written consent	Under written consent
Call options		Jan 2017 - July 2017: 127%; July 2017 - Jan 2018: 135%; Jan 2018 - July 2018: 144%; July 2018 - Maturity: 154%						
Cross default	NOK 10m threshold	NOK 10m threshold	NOK 5m threshold	NOK 5m threshold	NOK 5m threshold	NOK 5m threshold	NOK 5m threshold	NOK 5m threshold
Other		No additional debt of the Group (NOK 50m carve-out). No member of the Group can provide any financial support, except in ordinary course of business	NOK 101m intra group loan to Boa Offshore AS	NOK 505m intra group loan to Boa Offshore AS	No new loans or issue any guarantees, no new investments, no contribution to subsidiaries from Boa Offshore*. Negative pledge	No new loans or issue any guarantees, no new investments, no contribution to subsidiaries from Boa Offshore*. Negative pledge	Bank Accounts Boa Group, No new investments or newbuilds > NOK 5m without prior written approval, No change in Management agreement, Ownership, Semi-annual reporting	Guarantor undertakings; No newbuilds unless min. 30 % equity and fully financed with loans, Dividend restriction, Guarantor - Max 50 % of net profit & max NOK 30m, Ownership, Yearly reporting and on Lenders request

