

# Terms and Conditions

Containerships Ltd Oy

EUR 45,000,000

Senior Secured Callable Bonds 2015/2019

ISIN: FI4000148804

Originally dated 26 March 2015 and as amended and restated by an amendment and restatement agreement dated 29 March 2016

*Other than the registration of the Bonds under Finnish law, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Bonds in any jurisdiction where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.*

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# 1. Definitions and Construction

## 1.1 Definitions

In these terms and conditions (the "**Terms and Conditions**"):

"**Accounting Principles**" means generally accepted accounting principles in Finland, including International Financial Reporting Standard (IFRS).

"**Adjusted Net Profit**" means the net profit of the Guarantor in accordance with the Accounting Principles, excluding any realized gains or losses related to sale or other disposals of assets.

"**Adjusted Nominal Amount**" means the aggregate Outstanding Nominal Amount of all Bonds, less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate of the Issuer, irrespective of whether such person is directly registered as owner of such Bonds.

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts, or (b) any other trade credit incurred in the ordinary course of business.

"**Affiliate**" means any Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, "**control**" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

"**Bondholder**" means the person who is registered in the register maintained by the CSD pursuant to Clause 2 of Section 3 of Chapter 6 of the Book-Entry System Act as direct registered owner (Fin: *omistaja*) or nominee (Fin: *hallintarekisteröinnin hoitaja*) with respect to a Bond.

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 18 (*Bondholders' Meeting*).

"**Bonds**" means debt instruments of the type referred to in Clause 1 of Section 34 of the Act on Promissory Notes (Fin: *Velkakirjalaki 622/1947*, as amended) (Fin: *joukkovelkakirja*) and which are governed by and issued under these Terms and Conditions, including the Subsequent Bonds.

"**Book-Entry Securities System**" means the OM system being part of the book-entry register maintained by the CSD or any other replacing book-entry securities system.

"**Book-Entry System Act**" means the Finnish Act on Book-Entry System and Clearing Operations (Fin: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta 749/2012*, as amended).

**"Business Day"** means a day on which the deposit banks are generally open for business in Helsinki.

**"Business Day Convention"** the first following day that is a CSD Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day.

**"Change of Control"** means the occurrence of an event or series of events whereby one or more persons, not being Guarantor or the Shareholder Contributors, acting together, acquire control over the Issuer and where **"control"** means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

**"Compliance Certificate"** means a certificate in form and substance satisfactory to the Trustee, signed by the Issuer certifying (i) that so far it is aware no Event of Default is continuing, or if it is aware that such event is continuing, specifying the steps, if any, being taken to remedy it, (ii) if relevant, the satisfaction of the Incurrence Test and the calculations and figures in respect of the Net Interest Bearing Debt to EBITDA and Interest Coverage Ratio and (iii) the number of containers owned by the Issuer.

**"Container Funding Account"** means a bank account of the Issuer held with a bank, into which EUR 5,000,000 from the Net Proceeds will be transferred and which has been pledged in favour of the Trustee and the bondholders (represented by the Trustee) under the Container Funding Account Pledge Agreement.

**"Container Funding Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Trustee on or about the First Issue Date in respect of a first priority pledge over the Container Funding Account and all funds held on the Container Funding Account from time to time, granted in favour of the Trustee and the bondholders (represented by the Trustee).

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, P.O. Box 1110, 00101 Helsinki.

**"CSD Business Day"** means a day on which the Book-Entry Securities System is open in accordance with the regulations of the CSD.

**"EBITDA"** means, in respect of any Relevant Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any extraordinary items which are not in line with the ordinary course of business;

- (d) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (e) not including any accrued interest owing to any member of the Group;
- (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (h) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and
- (j) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

**"Equity Contribution"** means the convertible capital loan in a total amount of EUR 10,000,000, to be partially provided by The Nordic Environment Finance Corporation and certain other third party investors.

**"Equity Investors"** means The Nordic Environment Finance Corporation and certain other third party investors.

**"Equity Listing Event"** means an initial public offering of shares in the Issuer, after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a regulated market or multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

**"Escrow Account"** means a bank account of the Issuer held with a bank, into which the Net Proceeds will be transferred and which has been pledged in favour of the Trustee and the bondholders (represented by the Trustee) under the Escrow Account Pledge Agreement.

**"Escrow Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Trustee on or about the First Issue Date in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Trustee and the Bondholders (represented by the Trustee).

**"Existing Vessel"** means Containerships VII sailing under Finnish flag with IMO no. 9250098.

**"EUR"** or **"Euro"** means the single currency of the Participating Member States.

**"EURIBOR"** means:

- (a) the applicable percentage rate per annum displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or
- (b) if no screen rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by reputable banks reasonably selected by the Issuing Agent, for deposits of EUR 10,000,000 for the relevant period; or
- (c) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Euro offered for the relevant period,

and if any such rate is below zero, EURIBOR will be deemed to be zero.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 15.1 (*Non-Payment*) to and including Clause 15.9 (*Continuation of the Business*).

**"Final Redemption Date"** means 2 April 2019.

**"Finance Charges"** means, for the Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, capitalised interest in respect of any loan owing to any member of the Group or any Shareholder Loan and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

**"Finance Documents"** means:

- (a) these Terms and Conditions;
- (b) the Guarantee and Adherence Agreement;
- (c) the Shareholder Commitment Letter;
- (d) the Transaction Security Documents;
- (e) the Trustee Agreement; and
- (f) any other document or agreement by which such documents are amended or any part thereof waived in compliance with the these Terms and Conditions.

**"Financial Indebtedness"** means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;

- (b) the amount of any liability in respect of any finance leases classified under IFRS, to the extent the arrangement is treated as a finance lease in accordance with the accounting principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) 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, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

**"Financial Report"** means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according Clause 12.1 (*Information from the Issuer and Guarantor*).

**"First Call Date"** means the date falling 24 months after the First Issue Date.

**"First Issue Date"** means 2 April 2015.

**"Group"** means the Issuer and each Subsidiary from time to time.

**"Group Company"** means a member of the Group.

**"Guarantee and Adherence Agreement"** means the parent guarantee and adherence agreement pursuant to which the Guarantor shall (A) guarantee all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (B) in respect of Shareholder Loans made by the Guarantor to the Issuer, agree to subordinate all claims to the obligations of the Issuer under the Terms and Conditions and (C) undertake to adhere to the terms of the Finance Documents, including with respect to Restricted Payments.

**"Guarantor"** means Container Finance Ltd Oy, Business ID 0195580-2, with registered address Mannerheimintie 15 a C, 00260 Helsinki, Finland.

**"Guarantor's Refinancing Debt"** means the Guarantor's existing debt towards Aktia Bank Plc and Nordea Bank Finland Plc in the approximate amount of EUR 5,000,000 plus accrued interest.

**"Incurrence Test"** has the meaning ascribed to such term in Clause 14 (*Incurrence Test*).

**"Insolvent"** means, in respect of a relevant person, that it (i) is deemed to be insolvent within the meaning of Section 1 of Chapter 2 of the Finnish Bankruptcy Act (Fin: *Konkurssilaki 120/2004*, as amended) (or its equivalent in any other jurisdiction), (ii) admits inability to pay its debts as they fall due, (iii) suspends making payments on any of its debts, (iv) by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Finnish Act on Company Reorganisation (Fin: *Laki yrityksen saneerauksesta 47/1993*, as amended) (or its equivalent in any other jurisdiction)) or (v) is subject to involuntary winding-up, dissolution or liquidation.

**"Interest"** means the interest on the Bonds calculated in accordance with Clause 9 (*Interest*).

**"Interest Coverage Ratio"** means the ratio of EBITDA to Net Finance Charges.

**"Interest Payment Date"** means 2 April, 2 July, 2 October and 2 January each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 2 July 2015 and the last Interest Payment Date shall be the Final Redemption Date.

**"Interest Period"** means (i) in respect of the first Interest Period, the period from (and including) the First Issue Date to (but excluding) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means a floating interest rate of 3M EURIBOR plus 7.5 per cent. *per annum* payable quarterly in arrears.

**"Issuer"** means Containerships Ltd Oy, business ID 0818358-5, with registered address Mannerheimintie 15 a C, 00260 Helsinki, Finland.

**"Issuing Agent"** means Svenska Handelsbanken AB (publ), Branch Operation in Finland, or any other party replacing the same as Issuing Agent in accordance with the regulations of the CSD.

**"Issuer's Refinancing Debt"** means the Issuer's existing debt towards Karita Nordström, Nordea Finance Finland Ltd, the Guarantor, Pohjola Bank Plc and Nordea Bank Finland Plc in the approximate amount of EUR 22,750,000 plus accrued interest.

**"Make Whole Amount"** means a price equivalent to the sum of:

- (a) the present value on the relevant record date of 103.86 per cent. of the Outstanding Nominal Amount as if such payment originally should have taken place on the Interest Payment Date falling on the First Call Date; and



- (b) the present value on the relevant record date of the remaining coupon payments (assuming that the Interest Rate will be equal to the interpolated EUR mid-swap rate plus 3.75 per cent.), less any accrued but unpaid interest, through and including the First Call Date,

(a) and (b) calculated by using a discount rate of 50 basis points over the comparable German government bond rate (i.e. comparable to the remaining duration of the Bonds until the First Call Date) (plus accrued interest on redeemed amount) and where "relevant record date" shall mean a date agreed upon between the Trustee, the CSD and the Issuer in connection with such repayment.

**"Market Loan"** means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on NASDAQ OMX Helsinki or any other regulated or unregulated recognised market place.

**"Material Adverse Effect"** means a material adverse effect on (A) the business, financial condition or operations of the Group taken as a whole, (B) the Issuer's ability to perform and comply with the undertakings set out in Clause 13 (*General Undertakings*), or (C) the validity or enforceability of these Terms and Conditions.

**"Material Group Company"** means the Issuer or a Subsidiary representing more than 10.00 per cent. of the Total Assets or EBITDA of the Group on a consolidated basis according to the latest Financial Report.

**"Net Finance Charges"** means, for the Relevant Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable during that Relevant Period to any member of the Group and any interest income relating to cash or cash equivalent investment (and excluding any interest capitalised on Shareholder Loans).

**"Net Interest Bearing Debt"** means the aggregate interest bearing debt less cash and cash equivalent investment of the Group, in accordance with the applicable Accounting Principles, of the Group from time to time (for the avoidance of doubt, excluding guarantees, bank guarantees, Shareholder Loans, the Equity Contribution and interest bearing debt borrowed from any Group Company).

**"Net Proceeds"** means the proceeds from the Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer.

**"Nominal Amount"** has the meaning set forth in Clause 2(c) (*Status of the Bonds*).

**"New Containers"** means containers acquired by the Issuer to be used in line with Issuer's ordinary course of business.

**"New Vessels"** means the two 1400-45 LNG containerships to be constructed by Guoyu Shipyard.

**"Outstanding Nominal Amount"** means the Nominal Amount of each Bond from time to time taking into account any prepayments made on the Bonds.

**"Paying Agent"** means, initially the Issuing Agent, or any other party replacing the same as Paying Agent in accordance with the regulations of the CSD.

**"Participating Member States"** means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

**"Permitted Debt"** means any Financial Indebtedness:

- (a) incurred under the Bonds (excluding any Subsequent Bond Issues);
- (b) of the Group incurred pursuant to any financial leasing arrangements incurred in the ordinary course of the Group's business in a maximum aggregate amount of EUR 7,000,000 at all times;
- (c) taken up from a Group Company;
- (d) of the Group under any guarantee issued by a Group Company or a bank or other guarantee provider under a guarantee facility or separate guarantee, in the ordinary course of the Group's business;
- (e) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (f) incurred as a result of any Group Company acquiring another entity and which is due to that such acquired entity holds indebtedness, provided that the Incurrence Test is met, tested *pro forma* including the acquired entity in question;
- (g) incurred in the ordinary course of business under Advance Purchase Agreements;
- (h) relating to the Vessel Financing;
- (i) related to any Shareholder Loans;
- (j) related to pension liabilities of the Group, pursuant to a pension plan;
- (k) incurred under the existing development loan taken up by Containerships (UK) Ltd in a maximum amount of EUR 500,000;
- (l) incurred by the Guarantor under an existing credit with Pohjola Bank plc in a maximum amount of EUR 2,500,000;

- (m) incurred by the Guarantor in a maximum amount of EUR 5,000,000 for the purposes of financing the development and maintenance of the existing operations of the Guarantor and its subsidiaries; and
- (n) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and (i) is incurred as a result of issuance of Subsequent Bonds by the Issuer under the Terms and Conditions, or (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, and has a final maturity date or a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date.

**"Permitted Security"** means any guarantee or security:

- (a) granted to secure the Finance Documents;
- (b) provided in relation to any permitted financial lease agreement entered into by a Group Company;
- (c) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (d) provided to Pohjola Bank plc for the purpose of securing the Guarantor's obligations under the credit facility in accordance with paragraph (l) of the definition of Permitted Debt;
- (e) provided by the Group for the Vessel Financing on a first priority basis, except for the avoidance of doubt any assets subject to Transaction Security;
- (f) incurred as a result of any Group Company acquiring another entity and which is due to that such acquired entity has provided security, provided that the debt secured with such security is Permitted Debt in accordance with paragraph (f) of the definition of Permitted Debt;
- (g) provided for any guarantees issued by a Group Company or a bank or other guarantee provider under a guarantee facility or a separate guarantee, in the ordinary course of the Group's business;
- (h) a floating charge in the maximum amount of EUR 5,000,000 provided to Nordea Bank Finland plc for the purposes of securing the Issuer's obligations under any derivative or counter-indemnity exposures in accordance with paragraph (d) and (e) of the definition of Permitted Debt;
- (i) the parent company guarantees provided by the Guarantor to secure the liabilities of its subsidiaries in a maximum amount of EUR 2,600,000;
- (j) provided in relation to any operational lease agreement entered into by a Group Company; and

- (k) granted in relation to the indebtedness incurred by the Guarantor pursuant to paragraph (m) of the definition of Permitted Debt above, provided however that such indebtedness shall primarily be secured by the relevant asset which the indebtedness is intended to finance and only secondly with a marginal security if required by the relevant financier.

**"Person"** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

**"Record Date"** means:

- (a) means in relation to a payment of Interest, default interest and/or redemption of the Bonds when such payment is made through the Book-Entry Securities System, the end of the first CSD Business Day prior to, as applicable, (i) an Interest Payment Date, (ii) the day on which default interest is paid, (iii) a Redemption Date or (iv) a date on which a payment to the Bondholders is to be made under Clause 16 (*Allocation of Proceeds*); and
- (b) in relation to a Bondholders' Meeting and Written Procedure, the end of the CSD Business Day specified in the communication pursuant to Clause 18(c) or Clause 19(c), as applicable; and
- (c) otherwise, the end of the fifth CSD Business Day prior to another relevant date.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and Repurchase of the Bonds*).

**"Refund Guarantee"** means a bank guarantee issued by a reputable bank on behalf of the Guoyu Shipyard and guaranteeing the refund of the first down payment amount for the New Vessels of approximately EUR 12,000,000 in case the Guoyu Shipyard would be obliged to refund the down payment amount due to a breach by the Guoyu Shipyard of the construction contracts regarding the New Vessels.

**"Refund Guarantee Security"** means a first priority security over the Refund Guarantee for the benefit of the Trustee (on behalf of the Bondholders) provided by the Issuer, to the extent legally possible.

**"Relevant period"** means each period of 12 consecutive calendar months.

**"Regulated Market"** means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

**"Secured Obligations"** means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents.

**"Secured Parties"** means the Bondholders and the Trustee (including in its capacity as Security Agent under the Transaction Security Documents).

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

**"Security Agent"** means, Nordic Trustee Oy, in its capacity as security agent, or subsequently any other security agent, appointed by the Bondholders from time to time, holding the Transaction Security on behalf of the Bondholders.

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

**"Shareholder Commitment Letter"** means an irrevocable underwriting of the Shareholder Contributors to provide the Shareholder Contribution within six months of the First Issue Date, provided that the Equity Contribution has not been completed.

**"Shareholder Contribution"** means the EUR 5,000,000 investment by the Shareholder Contributors into the Issuer by way of either an investment into the unrestricted equity fund of the Issuer (Fin: *sijoitetun vapaan pääoman rahasto*) or in the form of a Shareholder Loan.

**"Shareholder Contributors"** mean the private individuals Harri-Ragnar Nordström, Veli Kimmo-Ragnar Nordström and Karita Nina Helena Nordström, being the owners of the Guarantor.

**"Shareholder Loans"** means any shareholder loans of the Issuer or any of its Subsidiaries, where the Issuer or the relevant Subsidiary is the debtor and the direct or indirect shareholder of the Issuer is the creditor, if such shareholder loans (a) are subordinated to the obligations of the Issuer under these Terms and Conditions, (b) according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date, and (c) according to its terms yield only payment-in-kind interest, to the extent that the interest is not paid in cash in accordance with Clause 13.1 (*Distributions*).

**"Sole Bookrunner"** means Pareto Securities Oy.

**"Subsidiary"** means a subsidiary of the Issuer according to Chapter 1 Section 6 of the Finnish Accounting Act (1336/1997), as amended (Fi. *kirjanpitolaki*) (or under such provision as may replace this provision).

**"Subsequent Bonds"** means any Bonds issued after the First Issue Date on one or more occasions.

**"Total Assets"** means the consolidated book-value of all assets of all members of the Group calculated in accordance with the Accounting Principles.

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**"Total Loss Event"** means an event resulting in a major damage and/or significant value loss to a New Vessel or the Existing Vessel.

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (A) the raising of financing of the Group, including the Bond Issue and the issuance of Subsequent Bonds and (B) the listing of the Bonds.

**"Transaction Security Documents"** means the relevant security agreements purporting to create:

- (a) a first ranking pledge (Fin: *ensipantti*) over all of the shares currently issued by the Issuer, provided that any shares issued as a result of a conversion of the Equity Contribution are not required to be pledged by the Equity Investors (the **"Share Pledge Agreement"**);
- (b) a floating charge over the assets in the Issuer in the amount of EUR 96,000,000, with priority after the EUR 5,000,000 floating charge provided to Nordea Bank Finland plc pursuant to paragraph (h) in the definition of Permitted Security (the **"Floating Charge Agreement"**);
- (c) a first priority mortgage in the amount of EUR 23,000,000 over the Existing Vessel (the **"Vessel Mortgage Agreement"**);
- (d) the Vessel Funding Account Pledge Agreement;
- (e) the Container Funding Account Pledge Agreement;
- (f) the Refund Guarantee Security; and
- (g) any security documents creating a second ranking security pursuant to Clause 11.2 (*Second Ranking Transaction Security*).

**"Transaction Security"** means the Security granted to secure the Secured Obligations pursuant to the Transaction Security Documents.

**"Trustee"** means Nordic Trustee Oy, business identity code 2488240-7, Aleksanterinkatu 15 B, 00100 Helsinki, Finland or another party replacing it, as Trustee, acting for and on behalf of the Bondholders in accordance with these Terms and Conditions.

**"Trustee Agreement"** means the fee agreement entered into between the Trustee and the Issuer on or about the First Issue Date regarding, *inter alia*, the remuneration payable to the Trustee.

**"Vessel Financing"** means a maximum amount of EUR 48,000,000 of third party interest bearing debt of the Group solely used to, together with the funds in the Vessel Funding Account, finance the purchase of the New Vessels.

**"Vessel Funding Account"** means a bank account of the Issuer held with a bank, into which EUR 12,000,000 from the Net Proceeds will be transferred and which has been

pledged in favour of the Trustee and the bondholders (represented by the Trustee) under the Vessel Funding Account Pledge Agreement.

**"Vessel Funding Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Trustee on or about the First Issue Date in respect of a first priority pledge over the Vessel Funding Account and all funds held on the Vessel Funding Account from time to time, granted in favour of the Trustee and the bondholders (represented by the Trustee).

**"Vessels"** means the Existing Vessel and the New Vessels.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 19 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
- (i) **"assets"** includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a **"regulation"** includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (iv) an Event of Default is continuing if it has not been waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Helsinki time.
- (b) A notice shall be deemed to be sent by way of press release if it is made available to the public within Finland promptly and in a non-discriminatory manner.
- (c) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website ([www.ecb.int](http://www.ecb.int)). If no such rate is available, the most recently published rate shall be used instead.

- (d) No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in EUR and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees, and by acquiring Bonds, each subsequent Bondholder confirms, (i) that the Bonds shall benefit from and be subject to the Finance Documents and (ii) agrees to be bound by these Terms and Conditions and the other Finance Documents.
- (c) The Nominal Amount of each Bond is EUR 100,000 (the "**Nominal Amount**"). All Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- (d) The minimum permissible investment upon issuance of the Bonds (including with respect to any Subsequent Bonds) is EUR 100,000.
- (e) Provided that the Incurrence Test is met and that no Event of Default is continuing or would result from such issue, the Issuer may, at one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the applicable ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the initial Bonds and all Subsequent Bonds) may not exceed EUR 70,000,000.
- (f) Except as set out in Clause 5 (*Transfer restrictions*) below, and subject to any restrictions to which a Bondholder may be subject due to local law or otherwise, the Bonds are freely transferrable. Each Bondholder must ensure compliance with local laws and regulations applicable at their own cost and expense.
- (g) The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.
- (h) As of the First Issue Date, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any



applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### 3. Use of Proceeds

The Net Proceeds of the Initial Bond Issue shall be applied:

- (a) *first*, towards refinancing of the Issuer's Refinancing Debt and an intragroup loan to the Guarantor, in an amount equal to the Guarantor's Refinancing Debt, for the purposes of the refinancing of such debt by the Guarantor;
- (b) *secondly*, (i) towards the purchase of new containers in an approximate amount of EUR 10,000,000 of which EUR 5,000,000 shall be deposited on the Container Funding Account and (ii) the deposit of EUR 12,000,000 on the Vessel Funding Account;
- (c) *thirdly*, towards the purchase of trucks and trailers by the Issuer in an approximate amount of EUR 2,500,000; and
- (d) *fourthly*, towards general corporate purposes of the Group.

Any proceeds from a Subsequent Bond Issue shall be applied towards general corporate purposes of the Group.

### 4. Conditions Precedent

- (a) The payment of the Net Proceeds into the Escrow Account is subject to the Trustee having received (i) duly executed Terms and Conditions and (ii) a duly executed copy of the Escrow Account Pledge Agreement, including evidence of perfection of the Security over the Escrow Account.
- (b) The Issuer shall provide, or procure the provision of, to the Trustee in form and substance satisfactory to the Trustee (acting reasonably) duly executed copies of:
  - (i) resolution from the board of directors of the Issuer approving the issue of the Bonds and the terms of the Finance Documents and resolving to enter into such documents and authorizing specified Person(s) to approve and execute any other documents necessary in connection therewith;
  - (ii) resolution from the board of directors of the Guarantor approving the terms of the Finance Documents and resolving to enter into such documents and authorizing specified Person(s) to approve and execute any other documents necessary in connection therewith;
  - (iii) the Guarantee and Adherence Agreement, duly signed by the Guarantor;
  - (iv) the Shareholder Commitment Letter, duly signed by parties thereto;

- (v) evidence that the Net Proceeds will be used in accordance with Clause 3 (*Use of Proceeds*);
  - (vi) subject to clause 11 (*Transaction Security*), evidence that the Finance Documents have been duly executed and the Vessel Funding Account Pledge Agreement and the Container Funding Account Pledge Agreement have been duly perfected.
- (c) When the conditions precedent for disbursement set out in Clause 4(b) have been fulfilled to the satisfaction of the Trustee (acting reasonably), the Trustee shall instruct the escrow bank to transfer the Net Proceeds from the Escrow Account and be applied in accordance with Clause 3 (*Use of Proceeds*).
- (d) If the conditions precedent for disbursement set out in Clause 4(b) have not been fulfilled to the satisfaction of the Trustee (acting reasonably) or waived by the Trustee within 20 Business Days following the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. Any funds distributed by the Trustee to the Bondholders in accordance with the Escrow Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4(d). The repurchase date shall fall no later than 30 Business Days after the First Issue Daye.

## 5. Transfer restrictions

- (a) No Bondholder may offer, sell, pledge or otherwise transfer any Bond except:
- (i) to the Issuer;
  - (ii) to a person who the seller reasonably believes is a QIB within the meaning of Rule 144A under the Securities Act purchasing for its own account or for the account or benefit of a QIB in a transaction meeting the requirements of Rule 144A;
  - (iii) outside the United States in compliance with Rule 903 or Rule 904, as applicable, of Regulation S under the Securities Act;
  - (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available);
  - (v) pursuant to any other available exemption from registration under the Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act; or
  - (vi) pursuant to an effective registration statement under the Securities Act,

provided however that in each case a transfer is made in accordance with all applicable securities laws of the states of the United States and any other jurisdiction.

- (b) The Issuer makes no representation as to the availability of an exemption from registration provided by Rule 144 of the Securities Act.

## **6. Bonds in Book-Entry Form**

- (a) The Bonds will be issued in dematerialised form in the Book-Entry Securities System in accordance with the Book-Entry System Act and regulations of the CSD and no physical notes will be issued.
- (b) Each Bondholder consents to the Issuer having a right to obtain information on the Bondholders, their contact details and their holdings of the Bonds registered in the Book-Entry Securities System, such as information recorded in the lists referred to in Clauses 2 and 3 of Section 3 of Chapter 6 of the Book-Entry System Act kept by the CSD in respect of the Bonds and the CSD shall be entitled to provide such information upon request. At the request of the Trustee, the Issuing Agent or the Paying Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Trustee, the Issuing Agent or the Paying Agent, as applicable.
- (c) The Trustee, the Issuing Agent and the Paying Agent shall have the right to obtain information referred to in Clause 6(b) from the CSD in respect of the Bonds if so permitted under the regulation of the CSD. The Issuer agrees that each of the Trustee, the Issuing Agent and the Paying Agent is at any time on its behalf entitled to obtain information referred to in Clause 6(b) from the CSD in respect of the Bonds.
- (d) The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee or the Paying Agent, as notified by the Trustee or the Paying Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney given to the Trustee unless directed by the Trustee or unless consent thereto is given by the Bondholders.
- (e) The Issuer, the Trustee, the Issuing Agent and the Paying Agent may use the information referred to in Clause 6(b) only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions with respect to the Bonds and shall not disclose such information to any Bondholder or third party unless necessary for the before-mentioned purposes.

## **7. Right to Act on Behalf of a Bondholder**

- (a) If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers

of attorney or proofs of authorisation starting with the Bondholder and authorising such person.

- (b) A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 7(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or is otherwise notified to the Trustee.

## **8. Payments in Respect of the Bonds**

- (a) Any payments under or in respect of the Bonds pursuant to these Terms and Conditions shall be made to the person who is registered as a Bondholder at the Record Date prior to an Interest Payment Date or other relevant due date in accordance with the Finnish legislation governing the Book-Entry Securities System and book-entry accounts as well as the regulations of the CSD.
- (b) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Any such postponement shall not affect the Record Date. Interest shall accrue in accordance with Clause 9(a) (*Interest*) during such postponement.
- (c) If payment or repayment is made in accordance with this Clause 8, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- (d) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **9. Interest**

- (a) Each Bond carries Interest at the Interest Rate from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Any Subsequent Bonds will carry Interest at the Interest Rate from (and including) the Interest Payment Date falling immediately prior to its issuance up to (and excluding) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date.

- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount due under these Terms and Conditions, the Issuer shall pay default interest on such amount at a rate corresponding to the Interest Rate plus 2.00 per cent., from (and including) the date such payment was due up to (but excluding) the date of actual payment. Accrued default interest shall not be capitalised.

## **10. Redemption and Repurchase of the Bonds**

### **10.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to 100 per cent. of the Outstanding Nominal Amount together with accrued but unpaid Interest. If the Final Redemption Date is not a CSD Business Day, then the redemption shall occur on the CSD Business Day determined by application of the Business Day Convention.

### **10.2 Group Company's purchase of Bonds**

Each Group Company may, subject to applicable law, at any time and at any price purchase Bonds provided that such purchase is made through a public offer. Bonds held by a Group Company may at such Group Company's discretion be retained, sold or, if held by the Issuer, cancelled.

### **10.3 Voluntary Total Redemption**

- (a) The Issuer may redeem the Bonds in whole, but not in part, on any CSD Business Day from and including:
  - (i) the First Issue Date to (but excluding) the First Call Date at a price equivalent to the Make Whole Amount;
  - (ii) the First Call Date to (but excluding) the date falling 30 months after the First Issue Date at a price equivalent to 103.86 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest;
  - (iii) the date falling 30 months after the First Issue Date to (but excluding) the date falling 36 months after First Issue Date at a price equivalent to 103.09 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest;
  - (iv) the date falling 36 months after the First Issue Date to (but excluding) the date falling 42 months after First Issue Date at a price equivalent to 102.32 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest; and

- (v) the date falling 42 months after the First Issue Date to (but excluding) the Final Redemption Date at a price equivalent to 101.55 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest.
- (b) Redemption in accordance with this Clause 10.3 shall be made by the Issuer giving not less than twenty (20) Business Days' notice prior to the relevant Redemption Date to the Bondholders and the Trustee and in accordance with the instructions of the Issuer, the Paying Agent or the Issuing Agent, as applicable. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in full with the applicable amounts.

#### 10.4 Voluntary Partial Prepayment

- (a) The Issuer may at one occasion during each 12 months period commencing on the First Call Date, repay up to 10.00 per cent. of the Total Nominal Amount, in which case all outstanding Bonds shall be partially repaid by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*.
- (b) The repayment per Bond shall equal the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1,000) plus (i) a premium on the repaid amount of 2.00 per cent. and (ii) accrued but unpaid interest on the repaid amount.

#### 10.5 Voluntary Partial Prepayment upon an Equity Listing Event

- (a) The Issuer may, in connection with an Equity Listing Event, repay up to 35 per cent. of the Total Nominal Amount, in which case all outstanding Bonds shall be partially repaid by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*, provided that such repayment is made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of the Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event).
- (b) Partial prepayment in accordance with Clause 10.5(a) shall be equal to the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1,000) plus;
  - (i) if made before the First Call Date, at the price set out in paragraph (ii) of Clause 10.3(a) (*Voluntary Total Redemption*), and if made at any time thereafter, at the relevant price set out in Clause 10.3(a) (*Voluntary Total Redemption*) for the relevant period; and
  - (ii) accrued but unpaid interest on the repaid amount.
- (c) Repayment shall be made to each Bondholder on an Interest Payment Date occurring within one hundred eighty (180) days following the Equity Listing Event (giving not less than twenty (20) Business Days' notice prior to the relevant repayment date to the Bondholders and the Trustee).

- (d) Partial repayment in accordance with this Clause 10.5 may only be made at one occasion.

#### **10.6 Mandatory Prepayment upon a Total Loss Event**

- (a) Should a Total Loss Event occur in relation to any New Vessel, the Issuer shall immediately upon receipt apply the full amount of the insurance proceeds received in connection with the Total Loss Event towards prepayment of the Vessel Financing attributable to that New Vessel. Any surplus remaining thereafter shall be applied in partial repayment of the Bonds by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*.
- (b) Should a Total Loss Event occur in relation to the Existing Vessel, the Issuer shall immediately upon receipt apply the full amount of the insurance proceeds received in connection with the Total Loss Event in partial repayment of the Bonds by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*.
- (c) The repayment per Bond shall equal the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1,000) plus accrued but unpaid interest on the repaid amount.

#### **10.7 Change of Control Put Option**

- (a) Upon a Change of Control Event occurring, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of sixty (60) days following a notice from the Issuer of the Change of Control Event pursuant to paragraph (b) below (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- (b) The notice from the Issuer pursuant to paragraph (a) above, shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to this paragraph. The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in paragraph (a) above.
- (c) Any Bonds repurchased by the Issuer pursuant to this Clause 10.7 shall be promptly cancelled by the Issuer.

#### **10.8 General**

The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 10, the Issuer shall comply with the applicable securities laws and regulations and will not

be deemed to have breached its obligations under this Clause 10 by virtue of the conflict.

## 11. Transaction Security

### 11.1 Granting of the Transaction Security

- (a) As continuing Security for the due and punctual fulfillment of the Secured Obligations, the Issuer grant the Transaction Security to the Secured Parties as represented by the Security Agent on the terms set out in the Transaction Security Documents and at the times set forth in paragraph (b) below.
- (b) The Transaction Security Documents shall be executed;
  - (i) in respect of the Share Pledge Agreement, the Floating Charge Agreement and the Vessel Mortgage Agreement, as soon as possible in connection with disbursement of funds from the Escrow Account, but in no event later than ninety-five (95) calendar days from the disbursement of funds from the Escrow Account;
  - (ii) in respect of the Vessel Funding Account Pledge Agreement and the Container Funding Account Pledge Agreement, no later than on the date of disbursement of funds from the Escrow Account; and
  - (iii) in respect of and the Refund Guarantee Security, no later than the release of funds from the Vessel Funding Account in connection with the down payment of the New Vessels.
- (c) For the avoidance of doubt, any mortgage and floating charge is deemed perfected for the purposes of this Clause where, in addition to due execution of the relevant Transaction Security Documents, duly signed applications for the registration of such mortgages have been filed with the appropriate registration authority with instruction to the authority to deliver the registered mortgage notes to the Trustee.
- (d) All security interests established under the Security Documents shall constitute first priority security for all amounts outstanding under the Finance Documents, subject to corporate law limitations.
- (e) The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the terms of the Transaction Security Documents.
- (f) Unless and until the Security Agent has received instructions from the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, releasing or enforcing the Transaction Security or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Transaction Security Documents and the terms of the Finance Documents, and



provided that such agreements or actions are not detrimental to the interests of the Bondholders.

## **11.2 Second Ranking Transaction Security**

The Issuer shall use its best efforts to procure that all amounts outstanding under the Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses shall be secured with second ranking security over the two New Vessels and all rights relating thereto, including but not limited to all security over which the financiers under the Vessel Financing obtains a first ranking security, but in any case including rights under the relevant construction contracts, construction insurance, mortgage security and insurance.

## **11.3 Release of Transaction Security**

The Security Agent may at any time, acting on instructions of the Bondholders, release any Transaction Security in accordance with the terms of the Transaction Security Documents.

## **11.4 Enforcement of Transaction Security**

- (a) The Security Agent may only take action to accelerate or enforce any Transaction Security in accordance with the terms of the Transaction Security Documents and these Terms and Conditions.
- (b) All Transaction Security or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any enforcement provided that the proceeds are distributed in accordance with the provisions set out in these Terms and Conditions.

## **12. Information to Bondholders**

### **12.1 Information from the Issuer and Guarantor**

- (a) The Issuer and/or the Guarantor (as applicable) shall make the following information available in the English language to the Bondholders by publication on the website of the Issuer:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within six (6) months after the end of each financial year, the annual audited consolidated financial statements of the Guarantor, including a profit and loss account, a balance sheet, a cash flow statement and

management commentary or report from the Guarantor's board of directors;

- (iii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (iv) the latest version of the Terms and Conditions; and
  - (v) any other information required by the Finnish Securities Markets Act (Fin: *Arvopaperimarkkinalaki 746/2012*) and the rules and regulations of the Regulated Market on which the Bonds are listed.
- (b) The reports referred to under Clause 12.1(a) (i)-(iii) shall be prepared in accordance with the Accounting Principles and when the Bonds have been listed shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of NASDAQ OMX Helsinki (as amended from time to time) and the Finnish Securities Markets Act (Fin: *Arvopaperimarkkinalaki 746/2012*).
- (c) The Issuer shall:
- (i) in connection with the incurrence of Financial Indebtedness and/or in connection with a Restricted Payment that requires that the Incurrence Test is met, respectively;
  - (ii) in connection with the delivery of the Financial Reports in Clause 12.1(a)(iii) being delivered; and
  - (iii) within 20 days following a request from the Trustee,
- issue a Compliance Certificate to the Trustee.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 12.1(a), the Issuer and/or the Guarantor shall send copies of such financial statements and other information to the Trustee.
- (e) The Issuer shall promptly notify the Trustee when the Issuer is or becomes aware of (i) the occurrence of a Change of Control, or (ii) that an Event of Default has occurred, and shall provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice.
- (f) The Issuer and/or the Guarantor is only obliged to inform the Trustee according to this Clause 12.1 if informing the Trustee would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration

contract with NASDAQ OMX Helsinki. If such a conflict would exist pursuant to the listing contract with NASDAQ OMX Helsinki or otherwise, the Issuer and/or Guarantor shall however be obliged to either seek approval from NASDAQ OMX Helsinki or undertake other reasonable measures, including entering into a non-disclosure agreement with the Trustee, in order to be able to timely inform the Trustee according to this Clause 12.1.

- (g) The Issuer shall, subject to the regulations of the CSD and applicable laws, be entitled to obtain information of the Bondholders from the CSD and the CSD shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the regulations of the CSD and applicable laws, be entitled to acquire from the CSD a list of the Bondholders, provided that it is technically possible for the CSD to maintain such a list.

## **12.2 Information from the Trustee**

The Trustee is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Trustee may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

## **12.3 Publication of Finance Documents**

- (a) The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Trustee.
- (b) The latest versions of the other Finance Documents shall be available for review at the office of the Trustee during normal business hours.

## **13. General Undertakings**

### **13.1 Distributions**

- (a) The Issuer and the Guarantor shall not, and shall procure that none of the Issuer's Subsidiaries will:
  - (i) pay any dividend on its shares (other than loans, dividends and group contributions to the Issuer or a Subsidiary of the Issuer);
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted equity with repayment to shareholders;
  - (iv) grant any loans (other than to the Issuer or a wholly-owned Subsidiary of the Issuer);
  - (v) repay any Shareholder Loans or other subordinated loans or capitalized or accrued interest thereunder; or

- (vi) make any other similar distribution or transfers of value to direct or indirect shareholder of the Guarantor or the Issuer (as applicable), or any Affiliates of Guarantor (other than to the Issuer or a Subsidiary of the Issuer),

sub-clauses (i)-(vi) above each being a "**Restricted Payment**".

- (b) Notwithstanding Clause 13.1, the Issuer shall be allowed to make an intragroup loan to the Guarantor, on or about the date of disbursement from the Escrow Account, in an amount corresponding to the Guarantor's Refinancing Debt.
- (c) Notwithstanding Clause 13.1, a Restricted Payment may be made by the Issuer if, at the time of the payment:
  - (i) no Event of Default is continuing;
  - (ii) the Incurrence Test is fulfilled (calculated on a pro forma basis including the relevant Restricted Payment);
  - (iii) the Restricted Payment is provided to the Guarantor and does not exceed EUR 1,000,000 per fiscal year; and
  - (iv) the aggregate amount of all Restricted Payments of the Group in any fiscal year (including the Restricted Payment in question) does not exceed 50 per cent. of the Group's consolidated net profit for the previous fiscal year.
- (d) Notwithstanding Clause 13.1, a Restricted Payment may be made by the Guarantor if at the time of the payment:
  - (i) no Event of Default is continuing; and
  - (ii) the Restricted Payment does not exceed 50 per cent. of the Adjusted Net Profit of the Guarantor for the previous fiscal year, provided that an amount of EUR 600,000 per fiscal year shall always be allowed to be distributed (subject to paragraph (i) above).

## 13.2 Listing of the Bonds

- (a) The Issuer shall ensure that the Bonds are listed at the corporate bond list on NASDAQ OMX Helsinki not later than one year after the First Issue Date and shall take all measures required to ensure that the Bonds, once listed on NASDAQ OMX Helsinki, continue being listed on NASDAQ OMX Helsinki for as long as any Bond is outstanding (however, taking into account the rules and regulations of NASDAQ OMX Helsinki and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

- (b) Upon any issuance of Subsequent Bonds, the Issuer shall promptly, but no later than ten (10) Business Days after the relevant issue date, procure that the volume of the Notes listed is increased accordingly.

### 13.3 Nature of Business

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the First Issue Date if such substantial change is reasonably likely to have a Material Adverse Effect

### 13.4 Financial Indebtedness

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will, incur any additional Financial Indebtedness, provided however that the Issuer and the Subsidiaries have a right to incur Financial Indebtedness that constitute Permitted Debt, if such Permitted Debt is incurred on market terms (or better).
- (b) The Guarantor shall not incur any Financial Indebtedness other than Permitted Debt.

### 13.5 Ownership and Disposal of Assets

- (a) The Issuer may in its ordinary course of business (i) acquire or dispose of trucks, trailers and containers, provided that it shall at all times own at least 10,000 containers and (ii) sub-lease containers for the purpose of avoiding empty storage costs at ports.
- (b) The Issuer may not dispose of the Existing Vessel or the New Vessels unless such disposal is carried out at fair market value and on terms and conditions customary for such transaction and provided that:
  - (i) with respect to the Existing Vessel, the net proceeds from such disposal are immediately applied to repay the Bonds by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*; or
  - (ii) with respect to a New Vessel, the net proceeds from such disposal are immediately used to repay the Vessel Financing attributable to that New Vessel and thereafter the remaining proceeds are immediately used to repay the Bonds by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*.
- (c) The repayment per Bond pursuant to Clause 13.5(b) above shall equal the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1,000).
- (d) The Issuer shall not, and shall procure that no Group Company, sell or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company's assets to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless:

- (i) the transaction is carried out at fair market value and on terms and conditions customary for such type of transaction;
  - (ii) the transaction does not constitute a Material Adverse Effect; and
  - (iii) the Issuer notifies the Trustee prior to the transaction and, upon request by the Trustee, provide the Trustee with any information relating to the transaction which the Trustee deems necessary (acting reasonably).
- (e) Notwithstanding Clause 13.5(d), the Issuer shall be allowed to convert the Equity Contribution into shares, if required to be converted under the terms of the Equity Contribution.

### **13.6 Negative Pledge**

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any guarantee or security over any of its/their assets (present or future) to secure any Financial Indebtedness, provided however that the Group Companies have a right to (A) provide, prolong and renew any Permitted Security, and (B) retain, but not prolong or renew, any existing security in relation to indebtedness held by an entity acquired by a Group Company.
- (b) The Guarantor shall not provide, prolong or renew any guarantee or security over any of its assets (present or future) other than security provided in relation to any Permitted Debt constituting Permitted Security.

### **13.7 Vessel Funding Account**

The Issuer shall maintain the Vessel Funding Account, pledged to the Trustee (on behalf of the bondholders), and the Trustee may only release funds:

- (a) up to a maximum aggregate amount of EUR 10,000,000, upon receipt of a utilisation request duly signed by an authorised person of the Issuer and including evidence that either the proceeds from the Equity Contribution or Shareholder Contribution have been paid into the Vessel Funding Account and that the funds will be applied against general corporate purposes of the Group; and
- (b) the remaining funds (up to EUR 12,000,000), upon receipt of a utilisation request duly signed by an authorised person of the Issuer and including evidence that (A) the funds will be applied solely to finance the down payment of the purchase price for the acquisition of the two New Vessels, (B) there is an irrevocable commitment for the Vessel Financing, which together with funds standing on the Vessel Funding Account is sufficient to fully finance the acquisition of the two New Vessels and (C) the Refund Guarantee Security has been duly executed (to the extent legally possible) and is accompanied by a legal opinion on the validity of the Refund Security by a reputable law firm.

### **13.8 Container Funding Account**

- (a) The Issuer shall maintain the Container Funding Account, pledged to the Trustee (on behalf of the bondholders), and the Trustee may only release funds upon receipt of a utilisation request duly signed by an authorised person of the Issuer and including evidence that the funds will be applied solely to finance acquisition of New Containers.
- (b) The amount of any utilisation request must be a minimum of EUR 1,000,000 or, if more, an integral multiple of EUR 100,000 and, if less, the remaining undrawn amount standing to the credit of the Container Funding Account.

### **13.9 Dealings with Related Parties**

The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

### **13.10 Shareholder Contribution**

The Issuer shall ensure that the Shareholder Contributors provide the Shareholder Contribution within six months of the First Issue Date, provided that if the Issuer has completed the Equity Contribution within six months of the First Issue Date, the undertaking to provide the Shareholder Contribution shall no longer apply.

### **13.11 Insurance**

The Issuer shall take out and maintain, or procure the maintenance of, adequate insurance cover in respect of the Vessels, containers, trucks, trailers and other machinery against the risk of fire, damages and any other risks against which the type of assets are generally insured from time to time, such insurance to include (i) cover against all normally insurable risks of loss or damage, (ii) cover for professional fees, (iii) cover for business interruption insurance, and (iv) public liability and products liability insurance.

## **14. Incurrence Test**

- (a) In these Terms and Conditions, the Incurrence Test is met if:
  - (i) the ratio of Net Interest Bearing Debt to EBITDA is not greater than 3.25; and
  - (ii) the Interest Coverage Ratio exceeds 2.75.
- (b) When the Interest Coverage Ratio is measured under the Incurrence Test, the calculation of the Interest Coverage Ratio shall be made for the Relevant Period ending on the last day of the period covered by the most recent Financial Report.

- (c) The calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness, or making of a Restricted Payment, as applicable. The Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include the new Financial Indebtedness provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt).
- (d) The figures for EBITDA, Finance Charges and Net Finance Charges for the Relevant period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:
  - (i) entities acquired or disposed of by the Group during the Relevant Period, or after the end of the Relevant period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and
  - (ii) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Relevant Period.

## **15. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 15 (except Clause 15.11) is an Event of Default.

### **15.1 Non-Payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless the non-payment:

- (a) is caused by technical or administrative error or a force majeure event; and
- (b) payment is made within five (5) Business Days after the end of the event causing the non-payment.

### **15.2 Other Obligations**

The Issuer does not comply with any provision under the Finance Documents, in any other way than as set out in Clause 15.1 (*Non-Payment*), provided that the Trustee has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Trustee may declare the Bonds payable without such prior written request).

### **15.3 Cross-Acceleration**

Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and



payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 15.3 if the aggregate amount of Financial Indebtedness declared to be or otherwise becoming due and payable is less than EUR 1,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

#### **15.4 Insolvency**

- (a) Any Material Group Company is, or is deemed for the purpose of any applicable law to be, Insolvent; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

#### **15.5 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, corporate restructuring (Fin: *yrityssaneeraus*) scheme of arrangement or otherwise) of any Material Group Company; and
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets or any analogous procedure or step is taken in any jurisdiction.

#### **15.6 Mergers and Demergers**

A decision is made that any Material Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

#### **15.7 Creditors' Process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding EUR 1,000,000 and is not discharged within 30 days.

#### **15.8 Impossibility or Illegality**

It is or becomes impossible or unlawful for the Issuer to fulfill or perform any of the provisions of these Terms and Conditions or if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable.

## 15.9 Continuation of the Business

The Issuer or any other Material Group Company ceases to carry on its business.

## 15.10 Equity or Shareholder Contribution

The proceeds of either the Shareholder Contribution or the Equity Contribution have not been received by the Issuer within six months from the Issue date.

## 15.11 Acceleration of the Bonds

- (a) If an Event of Default has occurred and is continuing, the Trustee is entitled to, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not only some, of the Bonds due for payment together with any other amounts payable under the Finance Documents, immediately or at such later date as the Trustee determines (but such date may not fall after the Final Redemption Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) If the Bondholders (in accordance with these Terms and Conditions) instruct the Trustee to accelerate the Bonds, the Trustee shall promptly declare the Bonds due and payable and take such actions as, in the opinion of the Trustee, may be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (c) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (d) In the event of an acceleration of the Bonds in accordance with this Clause 15, the Issuer shall redeem all Bonds with an amount per Bond equal to 103.86 per cent. of the Nominal Amount or such lower amount as applicable according to Clause 10.3 (*Voluntary Total Redemption*) considering when the acceleration occurs.

## 16. Allocation of Proceeds

All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority:

- (a) *first*, in or towards payment of the Trustee under the Trustee Agreement, including all costs and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights under the Finance Documents;
- (b) *secondly*, towards payment of accrued Interest unpaid under the Bonds;
- (c) *thirdly*, in or towards payment of principal under the Bonds; and

- (d) *fourthly*, in or towards payment of any other costs or outstanding amounts unpaid under the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) – (d) above shall be paid to the Issuer.

## 17. Decisions by Bondholders

- (a) A request by the Trustee for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee. The Person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Trustee that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a Person who is, or who has been provided with a power of attorney pursuant to Clause 7 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
- (i) at the Record Date prior on the CSD Business Day of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) at the Record Date on the CSD Business Day specified in the communication pursuant to Clause 19(c) (*Written Procedure*), in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- (e) The following matters shall require the consent of Bondholders representing at least 66.66 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(c) (*Written Procedure*):

- (i) waive of a breach of, or an amendment of, any undertaking set out in Clause 13 (*General Undertakings*);
  - (ii) a release of Security provided under the Transaction Security Documents (other than releases expressly permitted pursuant to these Terms and Conditions);
  - (iii) a reduce of the principal amount, the Interest Rate or the interest amount which shall be paid by the Issuer;
  - (iv) an amendment of any payment day for principal or a Interest Payment Date or waive any breach of a payment undertaking; or
  - (v) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 17.
- (f) Any matter not covered by Clause 17(e) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(c) (*Written Procedure*).
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18(a)) (*Bondholders' Meeting*) or initiate a second Written Procedure (in accordance with Clause 19(a)) (*Written Procedure*), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 17(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under the Finance Documents shall be subject to the Issuer's or the Trustee's consent, as applicable.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All reasonable costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or its Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

## **18. Bondholders' Meeting**

- (a) The Trustee shall convene a Bondholders' Meeting by sending a notice thereof to the CSD and each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Trustee, it may convene a Bondholders' Meeting in accordance with Clause 18(a) with a copy to the Trustee. After a request from the Bondholders pursuant to Clause 21.4(c) (*Replacement of the Trustee*), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18(a).

- (c) The notice pursuant to Clause 18(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a specification of the CSD Business Day at the end of which a person must be registered as a Bondholder in order to be entitled to exercise voting rights at the meeting, and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## 19. Written Procedure

- (a) The Trustee shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Trustee, it may send a communication in accordance with Clause 19(a) to each Bondholder with a copy to the Trustee.
- (c) A communication pursuant to Clause 19(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days from the communication pursuant to Clause 19(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17(e) (*Decisions by Bondholders*) and 17(f) (*Decisions by Bondholders*) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17(e) or 17(f) (*Decisions by Bondholders*), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 20. Amendments and Waivers

- (a) The Issuer and the Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- (c) The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 20(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 12.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Trustee, as the case may be.

## 21. Appointment and Replacement of the Trustee

### 21.1 Appointment of the Trustee

- (a) By subscribing for Bonds, each initial Bondholder, and, by acquiring Bonds, each subsequent Bondholder appoint:
  - (i) the Trustee to act as its agent and representative in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder and to exercise such rights, powers, authorities and discretions as are specifically delegated to the Trustee by these Terms and Conditions and the Finance Documents together with all such rights, powers, authorities and discretions as are incidental thereto;
  - (ii) agrees to and accepts that, upon the Trustee delivering an acceleration notice in accordance with Clause 15.11 (*Acceleration of the Bonds*), it

will be considered to have irrevocably transferred to the Trustee all its procedural rights and legal authority to claim and collect any and all receivables under the Bonds, enforce any Finance Document and to receive any funds in respect of the Bonds or under the Finance Documents (Fin: *prokurasiirto*) as a result of which transfer, the Trustee shall be irrevocably entitled to take all such action in its own name but on behalf of and for the benefit of each Bondholder (at the expense of the Bondholders); and

- (b) Each Bondholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no obligation to represent a Bondholder which does not comply with such request if due to such failure the Trustee is unable to represent such Bondholder.
- (c) The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (d) The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Trustee Agreement and the Trustee's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (e) The Agent may act as agent or other representative for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## 21.2 Duties of the Trustee

- (a) The Trustee shall represent the Bondholders in accordance with the Finance Documents, including *inter alia*, holding the Transaction Security pursuant to the Transaction Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders.
- (b) When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Trustee shall monitor the compliance by the Issuer with its obligations under these Terms and Conditions on the basis of information made available to it pursuant to the Finance Documents or received from a Bondholder. The Trustee is not obligated to assess the Issuer's financial situation other than as expressly set out in these Terms and Conditions.



- (d) The Trustee is entitled to take any step it in its sole discretion considers necessary or advisable to protect the rights of the Bondholders pursuant to these Terms and Conditions.
- (e) The Trustee is entitled to delegate its duties to other professional parties, provided that such professional parties are selected with due care.
- (f) The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (g) The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all reasonable costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Allocation of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) The Trustee shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or the Trustee Agreement or (ii) if it refrains from acting for any reason described in Clause (i) above.

### **21.3 Limited liability for the Trustee**

- (a) The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect loss.

- (b) The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Bondholders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.
- (d) The Trustee shall have no liability to the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with Clause 17 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 15.11(a) (*Acceleration of the Bonds*).
- (e) Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

#### **21.4 Replacement of the Trustee**

- (a) Subject to Clause 21.4(f), the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- (b) Subject to Clause 21.4(f), if the Trustee is Insolvent, the Trustee shall be deemed to resign as Trustee with immediate effect and the Issuer shall within ten (10) Business Days appoint a successor agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.
- (d) If the Bondholders have not appointed a successor Trustee within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which

shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- (e) The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.
- (f) The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.
- (g) Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.
- (h) In the event that there is a change of the Trustee in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents and the Trustee Agreement.

## **22. Appointment and Replacement of the Issuing Agent and the Paying Agent**

- (a) The Issuer appoints the Issuing Agent and the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent and the Paying Agent may retire from their respective assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent or the Paying Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent or Paying Agent, which shall replace the old Issuing Agent or Paying Agent in accordance with these Terms and Conditions.

## **23. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or

owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Fin: *yrityssaneeraus*) or bankruptcy (Fin: *konkurssi*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.

- (b) Clause 23(a) shall not apply if the Trustee has been instructed by the Bondholders in accordance with these Terms and Conditions to take certain actions but is legally unable to take such actions.

## 24. Prescription

- (a) The right to receive payment of the principal of or interest on the Bonds shall be prescribed and become void three (3) years from the date on which such payment became due.
- (b) If a limitation period is duly interrupted in accordance with the Finnish Act on Limitations (Fin: *Laki velan vanhentumisesta 728/2003, as amended*), a new limitation period of at least three (3) years will commence.

## 25. Notices

- (a) Subject to Clause 25(d), any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Trustee, shall be given at the address registered with the Finnish Trade Register on the Business Day prior to dispatch;
  - (ii) if to the Issuing Agent, shall be given at the address registered with the Finnish Trade Register on the Business Day prior to dispatch.
  - (iii) if to the Issuer, to the following address:
 

Containerships Ltd Oy  
Mannerheimintie 15 a C  
00260 Helsinki
  - (iv) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders.
- (b) Any notice to the Bondholders shall also be published on the websites of the Issuer and the Trustee.
- (c) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25(a) or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25(a).

- (d) If an Event of Default is continuing, any notice or other communication made by the Trustee to the Issuer under or in connection with the Finance Documents may, provided that the Trustee deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the Business Day of dispatch (unless a delivery failure message was received by the Trustee), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following Business Day. Any notice or other communication to be sent by email by the Trustee to the Issuer in accordance with this Clause 25 shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Trustee.

## 26. Taxation

The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable laws), and shall deduct at source any applicable withholding tax payable pursuant to law.

## 27. Governing Law and Jurisdiction

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Finland.
- (b) The Issuer submits to the non-exclusive jurisdiction of the Finnish courts with the District Court of Helsinki (Fin: *Helsingin käräjäoikeus*) as the court of first instance.
- (c) Clauses 27(a) and 27(b) above shall not limit the right of the Trustee (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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[Signature page to follow]

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Helsinki, Finland

Date: Originally dated 26 March 2015 and as amended and restated by an amendment and restatement agreement dated 29 March 2016

For and behalf of

**Containerships Ltd Oy**

as Issuer



Name: **Kari-Pekka Laaksonen**

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Helsinki, Finland

Date: Originally dated 26 March 2015 and as amended and restated by an amendment and restatement agreement dated 29 March 2016

**Nordic Trustee Oy**

as Trustee

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Name:

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Helsinki, Finland

Date: Originally dated 26 March 2015 and as amended and restated by an amendment and restatement agreement dated 29 March 2016

For and behalf of

**Containerships Ltd Oy**

as Issuer

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Name:

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Helsinki, Finland

Date: Originally dated 26 March 2015 and as amended and restated by an amendment and restatement agreement dated 29 March 2016

**Nordic Trustee Oy**

as Trustee



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Name: SAMI MIRTINEN  
CEO