

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

**To the bondholders in:**

**ISIN NO 001 0715212 - 10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/2020 with step up**

Oslo, 31 May 2019

## **Notice of a Written Bondholders' Resolution**

### **1. INTRODUCTION**

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

Unless otherwise stated, capitalised terms used herein shall have the meaning assigned to them in the bond agreement originally entered into on 30 July 2014 (as amended) (the "**Bond Agreement**").

Reference is made to the Written Bondholders' Resolution dated 5 October 2018 (the "**October 2018 Bondholders' Resolution**") and the Written Bondholders' Resolution dated 22 May 2019 (the "**May 2019 Bondholders' Resolution**") whereby the Bondholders agreed to *inter alia* the deferral of certain payments under the Bond Agreement on the terms and conditions therein.

Reference is further made to the discussions entered into by the Issuer with the Bondholders holding more than 2/3 of the Bonds (the "**Ad Hoc Group**") regarding further amendments to the terms of the Bond Agreement. As the details of such further amendments have not yet been finalised, the Issuer has requested that the Bond Trustee issue this request for a written Bondholders' resolution pursuant to Clause 16.5 (*Written Resolution*) of the Bond Agreement to consider approval of the Proposed Resolution (as defined below).

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

### **2. BACKGROUND**

As per the October 2018 Bondholders' Resolution and the May 2019 Bondholders' Resolution, the Bondholders agreed to defer certain payments originally required to be made under the Bond Agreement due to reduced earnings of the Issuer's rig "Modular Latina 01" (the "**Rig**") in respect of the relocation of the Rig from the Xanab-C oilfield to the Xanab-D oilfield under the service contract with Pemex (the "**Pemex Contract**") and the subsequent delay to the commencement of operations at the Xanab-D oilfield. The relocation did not represent a material change to the Pemex Contract, as it is contemplated therein.

Due to the delay to the commencement of operations at the Xanab-D oilfield and its impact on the liquidity of the Issuer, the Issuer entered into discussions with the Ad Hoc Group regarding certain extensions to the payment obligations under the Bond Agreement and the Ad Hoc Group requested adjustments to the Excess Cash Flow mechanism and certain other amendments to the Bond Agreement. The discussions between the Issuer and the Ad Hoc Group have been constructive but are still ongoing and the Issuer requires therefore more time to agree on the details of the proposed amendments. The Issuer expects to present a summons for a Bondholders' Meeting regarding the proposed amendments at the latest on 30 June 2019.

In order to finalise the discussions with the Ad Hoc Group, the Issuer proposes that the Bondholders agree to the following further amendments to the Bond Agreement as set out in the below proposal (the "**Proposal**"):

- i. the obligations of the Issuer to repay the Bonds in instalments of US\$ 510,000 due on 30 April 2019 pursuant to Clause 10.1.1 of the Bond Agreement, but extended to 31 May 2019 pursuant to the May 2019 Bondholder's Resolution, are waived and the relevant amounts shall be payable on 30 June 2019;
- ii. the obligations of the Issuer to repay Bonds by an instalment of USD510,000 originally due on 31 January 2019, but extended to 31 May 2019 pursuant to the May 2019 Bondholders' Resolution, are waived and the relevant amount shall be payable on 30 June 2019; and
- iii. each of (a) the claim for payment of accrued interest on the Bonds on 31 July 2018 (the "**July 2018 Interest Payment**") which has been maintained as a separate claim (without requiring any interest to be paid pursuant to Clause 9, any default interest to be paid pursuant to Clause 11.5 and/or any other interest or fees to be paid on such claim pursuant to the Bond Agreement) and (b) accrued interest under the Bond Agreement in the period from 31 July 2018 to 30 April 2019 (the "**April 2019 Interest Payment**") shall be payable on 30 June 2019.

The Issuer confirms that it is in compliance with Clause 13.3.10 of the Bond Agreement and will inform the Bond Trustee of any breach thereof.

The Issuer further confirms that Latina Offshore Limited, Santa Maria Offshore Limited and La Covadonga Limited as of the date hereof has not disposed of all or a substantial part of its assets or operations or changed its nature of its business.

### **3. PROPOSED RESOLUTION**

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

*"The Proposal as described in Section 2 (Background) of the Notice of a Written Bondholders' Resolution is hereby approved and the Bond Trustee is hereby given power of attorney to enter into any and all documentation and agreements in connection with documenting the Proposal as well as to carry out the necessary completion work.*

*Non-payment by the Issuer of principal amounts, interest and/or other amounts on 31 May 2019 does not constitute an Event of Default and/or require default interest to be paid pursuant to Clause 11.5 of the Bond Agreement*

*The amendments in this Proposed Resolution shall become effective immediately upon receipt of the requisite number of affirmative votes as provided for in section 5 below."*

#### 4. EVALUATION OF THE PROPOSED RESOLUTION

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

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

#### 5. WRITTEN BONDHOLDERS' RESOLUTION

Bondholders are hereby provided with a voting request for a Written Resolution pursuant to Clause 16.5 of the Bond Agreement. For the avoidance of doubt, no Bondholders' Meeting will be held.

For a vote to be valid, the Bond Trustee must have received it by post, courier or email to the address indicated in the enclosed form at Schedule 1 (the "**Voting Form**") no later than 21 June 2019 at 13:00 hours (Oslo time) (the "**Voting Deadline**").

Notwithstanding the Voting Deadline, and subject to the provisions of Clause 16.5.6 of the Bond Agreement, the Proposed Resolution will become effective automatically upon receipt of affirmative votes by or on behalf of the Bondholders who at the date of this notice represent such majority of votes as would be required if the Proposed Resolution was voted on at a Bondholders' Meeting (which, for the avoidance of doubt, is 2/3 of the Voting Bonds pursuant to Clause 16.3.5 of the Bond Agreement) at which all Bondholders entitled to attend and vote thereat were present and voting.

Yours sincerely

**Nordic Trustee AS**



Morten S. Bredesen

Enclosed: Schedule 1 - Voting Form

## SCHEDULE 1 – VOTING FORM

### Written Bondholders' Resolution

#### ISIN NO 0010715212 10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/2020 with step up

The undersigned holder or authorised person/entity, votes either in favour of or against the Proposed Resolution in the summons dated 31.05.2019

**In favour** of the Proposal

**Against** the Proposal

ISIN <b>ISIN NO 0010715212</b>	Amount of bonds owned
Custodian name	Account number at Custodian
Company	Day time telephone number
	E-mail:

Enclosed to this form is the complete printout from our custodian/VPS,<sup>1</sup> verifying our bondholding in the bond issue as of \_\_\_\_\_.

We acknowledge that Nordic Trustee AS in relation to the Written Resolution for verification purposes may obtain information regarding our holding of Bonds on the above stated account in the securities register VPS.

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Authorised signature

**Return:**

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

Telefax: +47 22 87 94 10  
Tel: +47 22 87 94 00  
mailto: mail@nordictrustee.com

<sup>1</sup> If the bonds are held in custody other than in the VPS, an evidence provided from the custodian – confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are hold, and (iii) the amount of Bonds owned.