

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, 10 July 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**"), the Written Bondholders' Resolution dated 22 May 2019 (the "**May 2019 Bondholders' Resolution**") and the Written Bondholders' Resolution dated 21 June 2019 (the "**June 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. The October 2018 Bondholders' Resolution, the May 2019 Bondholders' Resolution and the June 2019 Bondholders' Resolution shall collectively be referred to as the "**Bondholders' Resolutions**".

The details of such further amendments have now been finalised, incorporating the amendments proposed in the Bondholders' Resolutions, and the Issuer has accordingly 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

The Parent has experienced certain liquidity challenges resulting from the release and payment mechanics implemented in the Second Amended and Restated Bond Agreement. These liquidity challenges have also triggered the need for the Parent to implement receivables financing, where the costs of such receivables financing will be deducted and paid prior to service of debt in accordance with

the Bond Agreement. To solve the Parent's liquidity challenges, and to limit application of any receivable financing (and costs), the Company has proposed certain changes to the Bond Agreement as reflected in a drafted third amendment and restatement agreement included as Schedule 1 (to which a drafted third amended and restated bond agreement is attached) compared against the Second Amendment and Restatement Agreement (to which the Second Amended and Restated Bond Agreement is attached) (the "**Third Amendment and Restatement Agreement**"). The proposed changes align the payment mechanisms with the terms of the 8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue 2013/2018, and also includes an extension of the Maturity Date to 15 October 2020 to facilitate increased predictability for the Company and the Bondholders going forward.

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

- The implementation of the Monthly Reporting Date on the first day after a calendar month to better align with the Parent's accounts payable and accounts receivables and the Parent's internal accounting principles and so that each Monthly Reporting Period will be from the first day of one month to the last day of a month prior to the Monthly Reporting Date;
- The Interest Payment Date will similarly be changed from 31 January, 30 April, 31 July and 31 October each year to 15 January, 15 April, 15 July and 15 October each year, to provide sufficient time between the Monthly Reporting Date and the Interest Payment Date to effect the Company's payment obligations on the Interest Payment Date(s);
- The interest payments originally due on the Interest Payment Dates from July 2018 to April 2019 will be capitalised and added to the Outstanding Bonds at 110%, whereas interest accrued from 30 April 2019 to 31 July 2019 to be paid on 31 July 2019;
- The instalments of principal originally due in the period from July 2018 to April 2019 will be capitalised at par;
- There shall be no fixed instalments, it will be regulated by a monthly cash sweep only (provided that as from 15 January 2020, the cash sweep shall not be less than USD 500,000 plus 2 %).
- The Maturity Date will be extended to 15 October 2020 to provide additional predictability for the Company and the Bondholders going forward, and to align with the Interest Payment Date(s);
- To facilitate the Parent's liquidity challenges, a liquidity buffer equal to 30 days of Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure, USD 860,000 in total will be built up and reserved in the Parent Modular Earnings Account (the "**Liquidity Buffer**");
- The Liquidity Buffer can be utilized to cover Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure upon receipt of insufficient income under an Employment Contract during a Monthly Reporting Period to cover such costs and may also be utilized to ensure fulfilment of the Issuer's payment obligations on the Interest Payment Date(s);
- The definitions of Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure will be implemented to reflect that the Parent shall be entitled to request releases equal to the number of days of accrued costs/deductibles within a Monthly Reporting Period;
- Certain changes in the application of earnings and release mechanics, including the reporting formats, will be made to reflect the changes referred to above.

Due to the immediate liquidity constraint for the Parent, the Liquidity Buffer will immediately be drawn upon approval of the summons by the Bondholders' Meeting to cover part of the Deductible Operating

Expenses. The next release of funds will be made on the Monthly Reporting Date thereafter falling on 1 August 2019, where the Income and Release Statement will include the Monthly Reporting Period of July 2019

For the avoidance of doubt, the Company expects that it will be able to pay accrued interest on the upcoming Interest Payment Date on 31 July 2019 following implementation of the proposed changes and events described herein.

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 30 June 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

As part of the Proposal, the separate claim related to the July 2018 instalment shall be added back to the principal of the Bonds in the form of additional payment-in-kind bonds as soon as practically possible following the passing of the Proposed Resolution."

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 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.

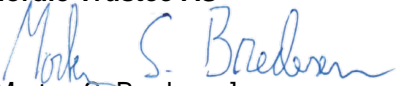
For a vote to be valid, the Bond Trustee must have received it by post, courier or email to the address indicated in the enclosed form at Schedule 1 (the "**Voting Form**") no later than 19 July 2019 at 13:00 hours (Oslo time) (the "**Voting Deadline**").

Notwithstanding the Voting Deadline, and subject to the provisions of Clause 16.5.6 of the Bond Agreement, the Proposed Resolution will become effective automatically upon receipt of affirmative votes by or on behalf of the Bondholders who at the date of this notice represent such majority of votes as would be required if the Proposed Resolution was voted on at a Bondholders' Meeting (which, for

the avoidance of doubt, is 2/3 of the Voting Bonds pursuant to Clause 16.3.5 of the Bond Agreement) at which all Bondholders entitled to attend and vote thereat were present and voting.

Yours sincerely

Nordic Trustee AS



[Morten S. Bredesen]

Enclosed: Schedule 1 – The Bond Agreement Amendments
Schedule 2 – Voting Form

Schedule 1 – the Bond Agreement Amendments

THIRD AMENDMENT AND RESTATEMENT AGREEMENT
dated [] July 2019

to the
BOND AGREEMENT

between

Latina Offshore Holding Limited
(Issuer)

and

Nordic Trustee AS
(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

10 per cent Latina Offshore Holding Limited
Senior Secured Callable Bond Issue 2014/2016 with step up

THIS THIRD AMENDMENT AND RESTATEMENT AGREEMENT (the "**Agreement**") has been entered into on [] July 2019 by and between:

- (1) **LATINA OFFSHORE HOLDING LIMITED**, a company existing under the laws of Bermuda with registration number 48193 (the "**Issuer**");
- (2) **CONSTRUCTORA Y PERFORADORA LATINA S.A. DE C.V.**, a company existing under the laws of Mexico with registration number CPL801111PS2 (the "**Parent**");
- (3) **LATINA MODULAR HOLDING LIMITED**, a company existing under the laws of Bermuda with registration number 49338 ("**Modular Holdco**");
- (4) **LATINA MODULAR 01 LIMITED**, a company existing under the laws of Bermuda with registration number 49339 ("**Rigco**"); and
- (5) **NORDIC TRUSTEE AS**, a company existing under the laws of Norway with registration number 963 342 624 (the "**Bond Trustee**").

The Issuer and the Bond Trustee are together referred to as the "**Parties**" and each a "**Party**".

1. BACKGROUND

- 1.1 Pursuant to a bond loan agreement originally dated 30 July 2014, as amended by a first amendment agreement dated 24 August 2015 and a second amendment agreement dated 5 September 2016 and as amended and restated by a first amendment and restatement agreement dated 28 February 2017 and a second amendment and restatement agreement dated 31 May 2018, the Issuer has issued a bond loan named "Latina Offshore Holding 14/18 ADJ USD C" with ISIN NO 001071521.2 (the "**Bond Issue**").
- 1.3 Pursuant to (i) a written resolution approved by the Bondholders on 5 October 2018, the Bondholders have approved certain amendments to the Bond Agreement in accordance with a notice of written bondholders' resolution dated 26 September 2018, (ii) a written resolution approved by the Bondholders on 22 May 2019, the Bondholders have approved certain amendments to the Bond Agreement in accordance with a notice of written bondholders' resolution dated 29 April 2019, (iii) a written resolution approved by the Bondholders on 21 June 2019, the Bondholders have approved certain amendments to the Bond Agreement in accordance with a notice of written bondholders' resolution dated 31 May 2019 and (iv) a written resolution approved by the Bondholders on [] July 2019, the Bondholders have approved certain amendments to the Bond Agreement in accordance with a notice of written bondholders' resolution dated [] July 2019 (items (i) through (iv) are together referred to as the "**Written Resolutions**").
- 1.4 This Agreement, together with the third amended and restated bond agreement attached as **Schedule 3** (*Third Amended and Restated Bond Agreement*) hereto (the "**Third Amended and Restated Bond Agreement**"), sets out the amendments to the Bond Agreement approved by the Bondholders through the Written Resolutions.

2. DEFINITIONS AND INTERPRETATION

2.1 In this Agreement:

"**Effective Date**" means the date on which the Bond Trustee notifies the Issuer that it has received all the documents and other evidence required as conditions precedent set out in **Schedule 1** (*Conditions Precedent*) hereto, each in a form and substance satisfactory to it, unless postponed as Conditions Subsequent or waived by the Bond Trustee in its discretion.

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

2.3 The provisions of clause 1.2 (*Construction*) of the Third Amended and Restated Bond Agreement apply to this Agreement as though they were set out herein in their entirety, except that references to the "Bond Agreement" therein shall be construed as references to this Agreement.

3. AMENDMENT AND RESTATEMENT

3.1 The Parties agree that with effect from the Effective Date, the Bond Agreement shall be supplemented and amended and restated by this Agreement, so that it shall then be in effect in the form set out in **Schedule 3** (*Third Amended and Restated Bond Agreement*) hereto.

3.2 Reference to the Bond Agreement in the Finance Documents shall be construed as reference to the Third Amended and Restated Bond Agreement following the Effective Date.

4. CONDITIONS PRECEDENT

The amendment and restatement of the Bond Agreement pursuant to Clause 3 (*Amendment and Restatement*) is subject to the Bond Trustee having received all the documents and other evidence required as conditions precedent set out in **Schedule 1** (*Conditions Precedent*) hereto in form and substance satisfactory to the Bond Trustee, unless postponed as conditions subsequent or waived by the Bond Trustee in its absolute discretion. The Bond Trustee shall notify the Issuer promptly upon being so satisfied.

5. CONDITIONS SUBSEQUENT

If the Bond Trustee has not received all the documents and other evidence set out in **Schedule 2** (*Conditions Subsequent*) hereto in form and substance satisfactory to the Bond Trustee within sixty (60) Business Days from the date of this Agreement, or such later date as decided by the Bond Trustee in its sole discretion, such failure shall constitute an Event of Default under the Bond Agreement.

6. REPRESENTATIONS

The Issuer makes the representations and warranties set out in Clause 7 (*Representations and Warranties*) of the Third Amended and Restated Bond Agreement to the Bond Trustee (i) on

the date of this Agreement and (ii) on the Effective Date by reference to the facts and circumstances then existing.

7. GUARANTEE AND SECURITY CONFIRMATION

- 7.1 Each of the Issuer, the Parent, and the Guarantors confirms and agrees that as of the Effective Date, any undertaking, Guarantee or Security (as applicable) granted by it pursuant to any Finance Document shall continue in full force and effect and shall apply and extend to all liabilities and obligations of the Issuer under the Third Amended and Restated Bond Agreement and the other Finance Documents (as applicable and subject to such express limitations as may be set out in each such Finance Document).
- 7.2 Except as expressly modified by this Agreement, all the terms and provisions of each of the Security Documents shall remain in full force and effect and are hereby ratified and confirmed in all respects by the parties hereto and thereto.

8. COSTS AND EXPENSES

Clause 14 (*Fees and Expenses*) of the Third Amended and Restated Bond Agreement shall apply *mutatis mutandis* to this Agreement.

9. MISCELLANEOUS

- 9.1 This Agreement is a Finance Document for the purpose of the Bond Agreement.
- 9.2 This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
- 9.3 The provisions of clause 18.6 (*Notices, Contact Information*) and clause 18.7 (*Dispute Resolution and Legal Venue*) of the Third Amended and Restated Bond Agreement shall apply *mutatis mutandis* to this Agreement.

* * *

SIGNATURE PAGE

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

The Issuer
Latina Offshore Holding Limited

The Bond Trustee
Nordic Trustee AS

.....

By:
Position:

.....

By:
Position:

We confirm our agreement to this Agreement generally and to Clause 7 particularly

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

The Modular Holdco
Latina Modular Holding Limited

.....

By:
Position:

.....

By:
Position:

The Rigco
Latina Modular o1 Limited

.....

By:
Position:

SCHEDULE 1
CONDITIONS PRECEDENT

1. **Written Resolutions.** Evidence that the Written Resolutions have been duly passed by the Bondholders.
2. **This Agreement.** This Agreement, with the Third Amended and Restated Bond Agreement attached, duly executed by the parties hereto.
3. **Confirmation.** Confirmation from the Issuer that no potential Event of Default has occurred or will occur as a result of these amendments (other than any default which will be cured through the amendments set out herein).
4. **Constitutional documents.** Certified copies of (i) the certificate of incorporation (or other similar official document) for the Parent, the Issuer and each Guarantor, evidencing that it is validly registered and existing and (ii) the articles of association (or other similar document) of the Parent, the Issuer and each Guarantor.
5. **Corporate resolutions.** Certified copies of all necessary corporate resolutions (including, if applicable, shareholder resolutions) of the Parent, the Issuer and each Guarantor to execute this Agreement and any other relevant Finance Documents.
6. **Power of attorney.** To the extent required, a power of attorney from the Parent, the Issuer and each Guarantor to authorise relevant individuals to execute the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute the Finance Documents on behalf of each such party.
7. **Evidence.** Evidence that no amounts is standing on the Parent Repayment Account, and/or if any amount standing on the Parent Repayment Account that the balance has been transferred to the Parent Modular Earnings Account, and that the Parent Repayment Account has been closed thereafter.
8. **Other.** Any other documents or evidence that the Bond Trustee may reasonably require.

SCHEDULE 2
CONDITIONS SUBSEQUENT

1. **Security Documents.** Evidence that any amendments, ratification agreements, confirmations or similar in respect of the Security Documents (including all applicable notices, notifications, recordings or registrations, acknowledgements and consents or powers of attorney under such Security Documents) have been duly executed and perfected by all parties thereto.
2. **Project documents.** To the extent required, evidence that any amendments to the Operational Management Agreements (or any substitution thereof) and the Intercompany Lease(s) have been made on terms reasonably satisfactory the Bond Trustee.
3. **Other amendments.** To the extent required to implement the terms of the Written Resolutions, any amendments to the other Finance Documents.
4. **Corporate resolutions.** Certified copies of all necessary corporate resolutions of the Parent, the Issuer and each Guarantor to execute any relevant Finance Documents.
5. **Power of attorney.** To the extent required, a power of attorney from the Parent, the Issuer and each Guarantor to authorise relevant individuals to execute the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute the Finance Documents on behalf of each such party.
6. **Costs and expenses.** Payment of all fees (including legal fees) of the Bond Trustee.
7. **Legal opinions.** The following legal opinions addressed to the Bond Trustee on behalf of the Bondholders:
 - (i) a legal opinion from Clyde & Co in respect of Mexican law; and
 - (ii) a legal opinion from Wakefield Quin Limited in respect of Bermuda law.
8. **Other.** Any other documents or evidence that the Bond Trustee may reasonably require.

SCHEDULE 3
THIRD AMENDED AND RESTATED BOND AGREEMENT

ISIN NO 001071521.2

SECOND~~THIRD~~ AMENDED AND RESTATED BOND AGREEMENT

between

Latina Offshore Holding Limited
(Issuer)

and

Nordic Trustee AS
(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond
Issue 2014/~~2016~~2020 with step up

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This ~~second~~third amended and restated bond agreement (the "**Bond Agreement**") has been entered into on [] 2019 between:

- (1) **Latina Offshore Holding Limited**, a company existing under the laws of Bermuda with registration number 48193, as issuer (the "**Issuer**"); and
- (2) **Nordic Trustee AS**, a company existing under the laws of Norway with registration number 963 342 624, as bond trustee (the "**Bond Trustee**").

This Bond Agreement amends, restates and replaces in full, with effect from the Amendment Date, the bond agreement entered into between the Issuer and the Bond Trustee dated 30 July 2014, as amended by an amendment agreement dated 24 August 2015 and a second amendment agreement dated 5 September 2016 (the "**Original Bond Agreement**") and as amended and restated by an amendment and restatement agreement dated 28 February ~~2017~~2017 and a second amendment and restatement agreement dated 31 May 2018.

1 Interpretation

1.1 Definitions

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

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

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

"**Additional Security**" means all Security provided in accordance with the provisions of Clause 8.3.

~~"Amendment Date" means the date on which the conditions of Clause 4 (Conditions Precedent) of and Restatement Agreements" means the First Amendment and Restatement Agreement, the Second Amendment and Restatement Agreement have been completed, and the Third Amendment and Restatement Agreement.~~

"Amendment Date" means the date on which the conditions of Clause 4 (Conditions Precedent) of the Third Amendment and Restatement Agreement have been completed.

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

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

"Assignment of Operational Management Agreements" means an assignment (or such similar Security under the relevant jurisdiction) on first priority of all earnings and other rights of the Parent under the Operational Management Agreements, excluding any earnings and other rights of the Parent under the Operational Management Agreement after completion of any enforcement and acceleration of the bonds in accordance with

this Bond Agreement resulting in the Parent no longer having direct or indirect ownership over the shares of the Issuer, the Rigco or the Modular Holdco.

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

"Attachment" means each of the attachments to this Bond Agreement.

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

"Bond Issue" means the bond issue constituted by the Bonds.

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

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

"Bonds" means the debt instruments issued by the Issuer pursuant to this Bond Agreement.

"Brokers" means the rig brokers RS Platou Offshore AS and Nor-Ocean Offshore AS.

"Budget" means the budget delivered to the Bond Trustee pursuant to paragraph (iii) of Clause 13.2.2 (*Miscellaneous*) ~~and which sets out, inter alia: to be delivered to the Bond Trustee quarterly inter alia including the estimated income under the Employment Contract, Operating Expenses, SG&A Costs, Capital Expenditures, taxes, cost of Receivable Financing (to the extent applicable), Implementation Costs, and the Intercompany Lease Rate.~~

~~(i) — operating expenses in an amount not exceeding USD 24,000 per day;~~

~~(ii) — SG&A expenses in an amount not exceeding USD 3,000 per day; and~~

~~(iii) — maintenance and repair capital expenditures in an amount not exceeding USD 600,000 per year.~~

"Business Day" means any day on which commercial banks in Oslo and New York are open for general business and can settle foreign currency transactions in Oslo and New York.

"Business Day Convention" means that no adjustment will be made, notwithstanding the Payment Date occurs on a day that is not a Business Day, and if such date is not a Business Day, payments of interest and/or principal (as the case may be) will be made on the first following day that is a Business Day (*No Adjustments of Business Day*).

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

"Capital Expenditures" means an amount reserved for capital expenditures not exceeding USD 600,000 per year and for the purpose of application of earnings and any deductions in accordance with Clause 13.9 shall not exceed USD 1,644 per day.

"Change of Control Event" means an event pursuant to which the Del Valle family ceases to be the owner, directly or indirectly, of 100% of the outstanding shares and/or voting rights of the Parent.

"Construction Contract" means the construction contract dated 18 March 2014 (as amended from time to time) entered into between the Parent and the Yard for the construction of the Rig for a total consideration of USD 81,000,000.

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

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

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

"Debt Level" means the total amount of interest bearing debt held by the Issuer (on a consolidated basis) as determined in accordance with IFRS, provided that Subordinated Loans shall be excluded.

"Debt Service Account" means an account in the name of the Issuer, into which the Issuer ~~shall~~has deposit certain funds for use of payment of amortisation under the Bond Issue, pledged (but not blocked, save in case of an Event of Default) on first priority as Security for the Issuer's obligations under the Finance Documents where any funds standing on this account should be transferred to the Interest and Amortization Reserve Account, and subsequently closed.

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

"Deductible Intercompany Lease Rate" means any income received under an Employment Contract, less Deductible SG&A Cost, Deductible Operating Expenses, Deductible Capital Expenditure, Deductible Withholding Tax, Deductible Cost of Receivables Financing, Implementation Costs, and Liquidity Buffer Drawn, for the purpose of the application of earnings in accordance with Clause 13.9.1.

"Deductible SG&A Costs" means the SG&A Costs and, to the extent applicable, any SG&A Costs previously not paid in accordance with Clause 13.9.1 and deferred, calculated and limited by the revenues available and received under an Employment Contract, and if not received, limited by the amounts available under the Liquidity Buffer, for the purpose of the application of earnings in accordance with Clause 13.9.1.

"Deductible Operating Expenses" means the Operating Expenses and, to the extent applicable, any Operating Expenses previously not paid in accordance with Clause 13.9.1 and deferred, limited by the revenues available and received under an Employment Contract, and if not received, limited by the amounts available under the Liquidity Buffer, for the purpose of application of earnings in accordance with Clause 13.9.1.

"Deductible Withholding Tax" means for the purpose of the Parent or the Rigco any documented Withholding Tax applicable upon transfers from the Parent or the Rigco in accordance with Clause 13.9.1 or Clause 13.9.2 and for the purpose of the Issuer any Withholding Tax to the extent applicable for the Issuer upon interest payment or instalments.

"Deductible Cost of Receivables Financing" means any documented and paid cost of Receivables Financing paid, and, to the extent applicable, any Deductible Cost of Receivables Financing not previously paid in accordance with Clause 13.9.1 or Clause 13.9.2 and deferred.

"Deductible Capital Expenditure" means the Capital Expenditure, and, to the extent applicable, any Capital Expenditure previously not paid in accordance with Clause 13.9.1 or Clause 13.9.2 and deferred, limited by the revenues received under an Employment Contract, and if not received, limited by the amount available under the Liquidity Buffer, for the purpose of the application of earnings in accordance with Clause 13.9.1 or Clause 13.9.2

"Deductible Operational Management Agreement Fee" means the Operational Management Fee, and, to the extent applicable, any Deductible Operational Management Agreement Fee previously not paid in accordance with Clause 13.9.2 and deferred, limited by the income received and available under an Employment Contract and the Liquidity Buffer for the purpose of the applications of earnings in accordance Clause 13.9.2.

"Deductible SG&A Agreement Fee" means the SG&A Agreement Fee and, to the extent applicable, any Deductible SG&A Agreement Fee, previously not paid in accordance with Clause 13.9.2 and deferred, limited by the income received and available under an Employment Contract and the Liquidity Buffer for the purpose of the applications of earnings in accordance with Clause 13.9.2.

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

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

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

"**Exchange**" means (i) a securities exchange or other reputable regulated market, or (ii) Oslo Børs ASA's Nordic ABM, on which the Bonds are listed, or where the Issuer has applied for listing of the Bonds.

~~"Excess Cash Flow" means on any Excess Cash Flow Calculation Date, all revenue generated by the Rig and proceeds from any Receivables Financing, in each case received during the Excess Cash Flow Period.~~
"Employment Contract" means any employment contract entered into by the Parent or Rigco (as the case may be) towards clients for employment of the Rig from time to time, including the Pemex Contract, whereby the daily rate under an employment contract shall not in any event be lower than the current daily rate of USD 48,200 per day under the Pemex Contract, unless approved by a majority of the Bondholders.

~~(i) — less, the Relevant Deductions properly incurred in (A) the Excess Cash Flow Period ending on such Excess Cash Flow Calculation Date ("Current Relevant Deductions"); and (B) any prior Excess Cash Flow Period, where such Relevant~~

~~Deductions for such period had not been paid prior to the commencement of the current Excess Cash Flow Period ("**Prior Relevant Deductions**");~~

- ~~(ii) — less, the interest payment payable on the next Interest Payment Date;~~
- ~~(iii) — less, the amortization payment payable on the next Interest Payment Date in accordance with Clause 10.1.1 (as may be increased from time to time); and~~
- ~~(iv) — less, any funds transferred to the Debt Service Account for payment of the increase in the amortization payment payable on the second subsequent Interest Payment Date following the increase in accordance with Clause 10.1.2;~~
- ~~(v) — less, the amount set out in the Budget in respect of the Relevant Deductions for the next Excess Cash Flow Period ("**Next Relevant Deductions**");~~

~~in each case, without double counting, and provided always that in respect of the Excess Cash Flow Calculation Date immediately preceding the Maturity Date, item (iii) above shall not apply.~~

~~"**Excess Cash Flow Calculation Date**" means 31 January, 30 April, 31 July and 31 October in each year, save where such date is also the Maturity Date. Any adjustment will be made according to the Business Day Convention.~~

~~"**Excess Cash Flow Notice**" means a notice delivered by the Issuer to the Bond Trustee in the form set out in Attachment 2.~~

~~"**Excess Cash Flow Period**" means, in respect of each Excess Cash Flow Calculation Date, the period commencing on the day following the previous Excess Cash Flow Calculation Date, up to and including the current Excess Cash Flow Calculation Date.~~

"**Existing Bond**" means the "8.875 per cent Latina Offshore Limited Senior Secured Callable Bond Issue" with ISIN NO 001068383.2 regulated by a bond agreement entered into between Latina Offshore Limited and Nordic Trustee AS on 11 October 2013 as amended and restated from time to time.

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

"**Finance Documents**" means:

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

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

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

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

"Financial Statements" means the annual audited reports for any financial year for (i) the Rigco on an unconsolidated basis; (ii) the Modular Holdco on a consolidated basis; (iii) the Issuer on a consolidated basis; and (iv) ~~and~~ the Parent on a consolidated basis, as requested, drawn up according to GAAP, such accounts to include a profit and loss account, and balance sheet ~~and cash flow~~ statement, provided always that such preparation and publication of reports is in accordance with applicable rules and regulations.

"First Amendment and Restatement Agreement" means the amendment and restatement agreement for the Bond Issued dated 28 February 2017.

"**Fixed Rate**" means the interest rate set out in Clause 9.1 for each relevant period.

"**Full Mandatory Prepayment Event**" means if:

- (i) the Parent ceases to be the direct owner of 100% of the shares in the Issuer, save for a sale of up to 49.99% of the shares in the Issuer provided that all shares in the Issuer remain pledged under a document equivalent to the Issuer Share Charge;
- (ii) the Issuer ceases to be the direct owner of 100% of the shares in the Modular Holdco;
- (iii) the Modular Holdco ceases to be the direct owner of 100% of the shares in the Rigco;
- (iv) the Issuer ceases to be the direct owner of 100% of the shares in Latina Offshore Limited;
- (v) the Rig is sold;
- (vi) an actual or constructive total loss of the Rig;
- (vii) the Pemex Contract is withdrawn or in any other way terminated by Pemex or its terms are amended with a Material Adverse Effect; or
- (viii) to the extent the Bonds shall be listed, if the Bonds are no longer listed as required by the Bond Agreement.

"**GAAP**" means the generally accepted accounting principles, practices and standards in the country in which the Issuer is incorporated including, if applicable, the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

"**Group**" means the Issuer and its Subsidiaries from time to time (each a "**Group Company**").

"**Guarantees**" means the corporate guarantees (*in Norwegian: påkravsgaranti*) granted by each of the Guarantors and "**Guarantee**" means any one of them.

"**Guarantors**" means the Modular Holdco and the Rigco and "**Guarantor**" means any one of them.

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

~~"**Intercompany Lease**" means a lease agreement pursuant to which the Rigco shall lease the Rig to the Parent at a rate equal to the Intercompany Lease Rate.~~ **Implementation Costs**" means any professional fees and expenses related to the Amendment and Restatement Agreements.

Income and Release Statement" means an overview of income received and releases requested to be provided by the Issuer to the Bond Trustee on each Monthly Reporting Date together with a Release Request, in accordance with Clause 13.2 (Information

Covenants), in the form included as Attachment 3 and to be posted on Stamdata.no each month.

"Instalment Cash Sweep" has the meaning given to it in Clause 10.1.1.

"Intercompany Lease" means any intercompany lease entered into between the Parent as charterer and Rigco as owner with respect to the Rig from time to time.

"Intercompany Lease Rate" means the rate of hire under ~~the Pemexan Employment Contract, less the Relevant Deductions of the Parent~~ less the Operating Expenses, SG&A Costs, Capital Expenditure, Withholding Tax, cost of Receivables Financing, Implementation Costs.

"Intercompany Loan Repayments" means the amounts transferred by Rigco, or by Modular Holdco or the Parent on behalf of the Rigco, to the Issuer to be applied as repayment of the Intercompany Loan in accordance with the application of earnings in Clause 13.9.1 or Clause 13.9.2.

"Intercompany Loans" means any loan provided by the Issuer to ~~the~~ Modular Holdco, the Rigco or the Parent, any loan provided by the Modular Holdco to the Rigco or the Issuer and any loan provided by the Rigco to the Issuer ~~or the~~ Modular Holdco or the Parent, it being agreed that the Issuer shall ensure that any such loan is assigned on first priority in favour of the Bond Trustee to secure all outstanding obligations under the Finance Documents.

"Interest Payment Date" means ~~the 31~~ January, ~~30~~ April ~~and 31~~ July and ~~31~~ October each year and including the Maturity Date. Any adjustment will be made according to the Business Day Convention.

"Interest and Amortization Reserve Account" means an account, with the Paying Agent, in the name of the Issuer, into which the Issuer shall deposit certain funds for use of payment of interest under the Bond Issue, such account pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents.

"Interest and Amortization Reserve Account Pledge" means a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Interest and Amortization Reserve Account where the bank operating the account has waived any set-off rights.

"Interim Accounts" means the unaudited financial statements for any quarter ending on a Quarter Date for (i) the Rigco on an unconsolidated basis; (ii) the Modular Holdco on a consolidated basis; (iii) the Issuer on ~~an unconsolidated and a~~ consolidated basis; and (iv) the Parent on a consolidated basis, as ~~well as a balance sheet and profit and loss accounts for the Modular Holdco on an unconsolidated basis~~ requested. These unaudited financial statements shall be drawn up according to GAAP and include a profit and loss account, balance sheet, ~~cash flow statement and~~ management commentary or report from the Board of Directors.

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

"Issue Date" means 31 July 2014.

"**Issuer Account Pledges**" means the Interest and Amortization Reserve Account Pledge, the Debt Service Account Pledge, Issuer Liquidity Account Pledge and any other pledge on first priority over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in any bank accounts from time to time ~~(except for the Mexican Operating Accounts)~~.

"**Issuer Assignment of Intercompany Loans**" means any assignment of any Intercompany Loan granted by the Issuer to the Rigco, the Modular Holdco and the Parent (as applicable) and the Issuer's rights under the relevant agreements related thereto.

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

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

"**Issuer Share Charge**" means a Bermuda law charge granted by the Parent over all of the shares (100%) and related rights in the Issuer from time to time.

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

"**Jack-Up Rigs**" means the jack-up rigs owned by Santa Maria and La Covadonga.

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

"**Latina Offshore Limited**" means Latina Offshore Limited, company existing under the laws of Bermuda with registration number 47764.

"Liquidity Buffer" means an amount equal to 30 days of Operating Expenses, SG&A Costs and Capital Expenditure, USD 860,000 in total (the "Original Liquidity Buffer Amount") less any Liquidity Buffer Drawn from time to time, which:

- (i) upon an Employment Contract with the Parent shall be retained in the Parent Modular Earnings Account to be utilized for the purpose of (a) releases in accordance with Clause 13.9.1(i) to cover Deductible Operating Expenses, Deductible SG&A Costs and Deductible Capital Expenditure to the extent that income received under an Employment Contract during a Monthly Reporting Period (including any Receivables Financing received if applicable) is insufficient to cover such deductible costs and (b) any deficit between the Deductible Intercompany Lease Rate received and released to the Interest and Amortization Reserve Account and the Issuer's payment obligations on the Interest Payment Date(s); and
- (ii) upon an Employment Contract with Rigco, shall be retained at the Rigco Earnings Account to be utilized for the purpose of (a) releases in accordance with Clause 13.9.1(i) to cover the Deductible Operational Management Agreement Fee and the

Deductible SG&A Agreement Fee to the extent that income received under an Employment Contract during a Monthly Reporting Period (including any Receivables Financing received if applicable) is insufficient to cover such costs and (b) any deficit between the transfers made pursuant to Clause 13.9.1(ii) to the Interest and Amortization Reserve Account and the Issuer's payment obligations on the Interest Payment Date(s).

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

"Manager" means the manager(s) for the Bond Issue, being Clarkson Platou Securities AS.

"Mandatory Prepayment" means the prepayments to be made pursuant to Clause ~~10.5.10.4~~.

"Mandatory Prepayment Event" means the occurrence of a Full Mandatory Prepayment Event or Partial Mandatory Prepayment Event.

"Material Adverse Effect" means a material adverse effect on: (a) the financial condition or operations of the Modular Holdco or the Rigco; (b) the Issuer's, the Modular Holdco's, the Rigco's or the Parent's ability to perform and comply with its obligations under any of the Finance Documents; or (c) the validity or enforceability of any of the Finance Documents.

"Maturity Date" means ~~31 January~~ 15 October 2020. Any adjustment will be made according to the Business Day Convention.

~~"Mexican Operating Accounts" means any account held by the Issuer, Modular Holdco and Rigco in Mexico.~~

"Mexican Trust" means a Mexican law trust agreement with Deutsche Bank or another reputable international bank with a credit rating of at least "A" from Standard & Poor or similar level from Moody or Fitch approved by the Bond Trustee (the "Mexican Trustee") for (to the extent necessary) perfection of Security Documents and securing the application of earnings under the Pemex Contract which may provide for Receivables Financing at an annual cost less than 5% (including authorised translations as requested by the Bond Trustee).

"Modular Holdco" means Latina Modular Holding Limited, a company existing under the laws of Bermuda with registration number 49338.

"Modular Holdco Account Pledges" means the any pledge on first priority over the Modular Holdco's claim against the bank for the amount from time to time standing to the credit of the Modular Holdco in any bank accounts from time to time ~~(except for the Mexican Operating Accounts).~~

"Modular Holdco Assignment of Intercompany Loans" means any assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Modular Holdco under Intercompany Loans granted by the Modular Holdco to the Issuer and the Rigco (as applicable) and the Modular Holdco's rights under the relevant agreements related thereto.

"Modular Holdco Assignment of Subordinated Loans" means any assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Modular Holdco under any Subordinated Loan.

"Modular Holdco Fixed and Floating Charge" means a Bermuda law fixed and floating charge creating security over all relevant assets, rights (including intellectual property rights) and revenues of the Modular Holdco.

"Modular Holdco Share Charge" means a Bermuda law charge granted by the Issuer over all of the shares (100%) and related rights in the Modular Holdco from time to time.

"Modular Holdco Undertaking" means an undertaking from the Modular Holdco dated 30 July 2014 as amended and restated on 28 February 2017, including *inter alia* subordination statements for any claims due to the Modular Holdco from the Issuer under any Subordinated Loans, relevant representations and warranties, the Modular Holdco Special Covenants as set out in Clause ~~13.6~~13.7 (*Modular Holdco special covenants*) and certain events of default provisions.

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

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

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

"Operating Expenses" means all costs for the provision of Operational Management, which shall in no event exceed USD 24,000 per day.

"Operational Management Agreement" means the agreement entered into by and between the Parent and the Rigco pursuant to Clause 8.3.1 for the provision of Operational Management by the Parent in respect of the Rig which shall become effective upon request by Rigco (or as the case may be) the Bond Trustee upon the Parent ceasing to be a party to an Employment Contract.

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

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

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

"Parent" means Constructora y Perforadora Latina S.A. de C.V., a Mexico registered company with registration number CPL801111PS2.

"Parent Assignment of Pemex Receivables" means a Mexican law assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims of the Parent under the Pemex Contract (to be granted in favour of the Mexican Trustee under the Mexican Trust if applicable).

"Parent Assignment of Subordinated Loans" means any assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Parent under any Subordinated Loan.

"Parent Operating Expense Account" means an operating account nominated by the Parent for receipt of the funds set forth in Clause 13.9.1 and Clause 13.9.2.

"Parent Modular Earnings Account" means an account held with the Parent to Paying Agent, to be pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents, into which the Parent shall receive (i) any revenue under the Pemex Contract and any proceeds from any Receivables Financing payable to the Parent ~~(other than, including any such payment or revenue or proceeds payable to received from the Mexican Trustee under the Mexican Trust, if applicable); or (ii) any proceeds payable to the Parent under the Mexican Trust (if applicable), such account pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents.~~

"Parent Modular Earnings Account Pledge" means a pledge over the Parent's claim against the bank for the amount from time to time standing to the credit of the Parent in the Parent Modular Earnings Account where the bank operating the account has waived any set-off rights.

~~**"Parent Repayment Account"** means an account held with the Paying Agent to which the Parent shall receive any payments from any of the Issuer's subsidiaries, such account pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents.~~

~~**"Parent Repayment Account Pledge"** means a pledge over the Parent's claim against the bank for the amount from time to time standing to the credit of the Parent in the Parent Repayment Account where the bank operating the account has waived any set-off rights.~~

"Parent Undertaking" means an undertaking from the Parent dated 30 July 2014, as amended and restated on 28 February 2017, including *inter alia* subordination statements for any claims due to the Parent from the Issuer under any Subordinated Loans, relevant representations and warranties, the Parent Special Covenants as set out in Clause ~~13.6~~ 13.7 and certain events of default provisions.

"Partial Mandatory Prepayment Event" means if:

- (i) the Parent or the Issuer receives any dividend payment or other shareholder distribution from Latina Offshore Limited or any other subsidiary directly or indirectly controlled by the Issuer, whether as a result of profit making, refinancing or otherwise; or
- (ii) the Parent or the Issuer receives interest or down payments on any loans granted by either of them to any of the Issuer's subsidiaries.

"Paying Agent" means the Norwegian legal entity appointed by the Issuer to act as its paying agent in the Securities Registry with respect to the Bonds.

"Payment Date" means a date for payment of principal or interest under this Bond Agreement.

"Pemex" means PEMEX Exploración y Producción.

"**Pemex Contract**" means the service contract with contract number 421004827 for the utilization of the Rig, executed on 5 March 2014, as amended on 30 November ~~2016~~, 2016 between Pemex and the Parent.

"**Permitted Financial Assistance**" means (i) any intercompany loans granted by the Issuer to Latina Offshore Limited, Santa Maria and/or La Covadonga which are in existence at the Issue Date; and (ii) any Intercompany Loans.

"**Permitted Security**" means any security interest ~~(in existence as of the Amendment Date)~~ over any of the Issuer's assets or revenues provided as security under the Existing Bond and the Receivables Collateral.

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

"**Receivables Financing**" means any transaction or series of transactions that may be entered into in connection with the Pemex Contract on market terms by the Parent or the Rigco on the one hand and a reputable international or local bank or similar financial institutions reasonably acceptable to the Bond Trustee on the other hand and, as from the date the Liquidity Buffer has been filled up, can only be used to the extent the Liquidity Buffer is insufficient to solve the Parent's liquidity needs, and pursuant to which either (a) any such company may sell, convey or otherwise transfer any accounts receivable (whether now existing or arising in the future) and any assets related thereto, including, without limitation, all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitisation transactions involving accounts receivable (collectively, "**Receivables Collateral**"); or (b) any such company shall enter into a nonrecourse loan arrangement secured solely by Receivables Collateral.

"**Release Request**" means a request delivered by the ~~Issuer~~ Parent, the Issuer, the Rigco or the Modular Holdco to the Account Bank with copy to the Bond Trustee in the form set out in Attachment ~~3-2~~.

~~"**Relevant Deductions**" means the following properly incurred costs and expenses of the Parent, the Issuer, the Modular Holdco and the Rigco (as applicable and without double counting):~~ **Relocation**" means the relocation of the Rig to the Xanab-D oilfield pursuant to the Pemex Contract.

- ~~(i) — operating expenses of the Parent, the Issuer, the Modular Holdco and/or the Rigco in an amount not exceeding the Budget;~~
- ~~(ii) — SG&A of the Parent, the Issuer, the Modular Holdco and/or the Rigco in an amount not exceeding the Budget;~~
- ~~(iii) — capital expenditures of the Parent, the Issuer, the Modular Holdco and/or the Rigco incurred in an amount not exceeding with the Budget;~~
- ~~(iv) — taxes (paid or accrued); and~~
- ~~(v) — the costs of any Receivables Financing related to the Pemex Contract,~~

~~it being agreed that at the date when any payment is being made in respect of the Relevant Deductions, the amounts set out in (i) and (ii) above shall not exceed USD~~

~~27,000 per day and the amount set out in (iii) above shall not exceed USD 600,000 per calendar year.~~

"**Rig**" means the 3000 HP modular rig with building number 00549 constructed and delivered under the Construction Contract and registered in the name of the Rigco.

"**Rig Floating Lien**" means a Mexican law non-possessory floating lien pledge granted by the Rigco over the Rig.

"**Rigco**" means Latina Modular 01 Limited, a company existing under the laws of Bermuda with registration number 49339.

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

"**Rigco Assignment of Intercompany Lease**" means a Mexican law assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Rigco under the Intercompany Lease between the Rigco and the Parent.

"**Rigco Assignment of Intercompany Loans**" means any assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Rigco under an Intercompany Loan granted by the Rigco to the Issuer, the Modular Holdco (as applicable) and the Modular Holdco's rights under the relevant agreements related thereto.

"**Rigco Assignment of Insurances**" means a Mexican law assignment (or such similar Security under the relevant jurisdiction) on first priority of all monetary claims and other rights of the Rigco under insurances related to the Rig.

~~"**Rigco Fixed and Floating Charge**" means a Bermuda law fixed and floating charge creating security over all relevant assets, rights (including intellectual property rights) and revenues of the Rigco.~~

"**Rigco Earnings Account**" means an account in the name of the Rigco, with the Paying Agent, pledged and blocked on first priority as Security for the Issuer's obligations under the Finance Documents, into which the Rigco shall receive all its earnings under the Intercompany Lease and all its other net earnings relating to the Rig ~~such account pledged (but not blocked, save in case of an Event of Default) on first priority as Security for the Issuer's obligations under the Finance Documents.~~

"**Rigco Earnings Account Pledge**" means a pledge over the Rigco's claim against the bank for the amount from time to time standing to the credit of the Rigco in the Rigco Earnings Account, where the bank operating the Rigco Earnings Account has waived any set-off rights.

"**Rigco Fixed and Floating Charge**" means a Bermuda law fixed and floating charge creating security over all relevant assets, rights (including intellectual property rights) and revenues of the Rigco.

"**Rigco Liquidity Account**" means an account in the name of the Rigco, with the Paying Agent, into which the inter alia the Rigco shall deposit funds in accordance with Clause

~~13-8~~13.9 such account pledged (but not blocked, save in case of an Event of Default) on first priority as Security for the Issuer's obligations under the Finance Documents.

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

"**Rigco Share Charge**" means a Bermuda law charge granted by the Modular Holdco over all of the shares (100%) and related rights in the Rigco from time to time.

~~"Rigco Transfers" means the Intercompany Lease Rate less the Relevant Deductions of the Rigco and the Modular Holdco.~~

"**Rigco Undertaking**" means an undertaking from the Rigco dated 28 February 2017 including relevant representations and warranties and certain events of default provisions, including inter alia relevant representations and warranties, the Rigco Special Covenants as set out in Clause ~~13-7~~13.8 (*Rigco special covenants*) and certain events of default provisions.

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

"**Second Amendment and Restatement Agreement**" means the amendment and restatement agreement ~~between the Issuer and~~for the Bond ~~Trustee~~Issue dated ~~[]~~31 May 2018.

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

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

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

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

"**Security Interests**" means:

- (i) the Guarantees;
- (ii) the Parent Assignment of Pemex Receivables;
- (iii) the Parent Assignment of Subordinated Loans;
- ~~(iv) the Parent Repayment Account Pledge;~~
- (iv) ~~(v)~~ the Parent Modular Earnings Account Pledge;
- (v) ~~(vi)~~ the Issuer Share Charge;
- (vi) ~~(vii)~~ the Issuer Account Pledges;

- (vii) ~~(viii)~~ the Issuer Assignment of Intercompany Loans;
- (viii) ~~(ix)~~ the Modular Holdco Account Pledges;
- (ix) ~~(x)~~ the Modular Holdco Assignment of Subordinated Loans;
- (x) ~~(xi)~~ the Modular Holdco Assignment of Intercompany Loans;
- (xi) ~~(xii)~~ the Modular Holdco Share Charge;
- (xii) ~~(xiii)~~ the Modular Holdco Fixed and Floating Charge;
- (xiii) ~~(xiv)~~ the Rigco Share Charge;
- (xiv) ~~(xv)~~ the Rigco Fixed and Floating Charge;
- (xv) ~~(xvi)~~ the Rigco Account Pledges;
- (xvi) ~~(xvii)~~ the Rig Floating Lien;
- (xvii) ~~(xviii)~~ the Rigco Assignment of Intercompany Lease;
- (xviii) ~~(xix)~~ the Rigco Assignment of Intercompany Loans; and
- (xix) ~~(xx)~~ the Rigco Assignment of Insurances.
- (xx) the Assignment(s) of SG&A Agreement;
- (xxi) the Assignment(s) of the Operational Management Agreement.

"SG&A" means all commercial management, sales, general and administrative services for the Issuer, the Rigco, the Modular Holdco and the Parent.

"SG&A Agreement" means the agreement entered into by and between the Parent, the Issuer, the Rigco and the Modular Holdco for SG&A to be performed by the Parent.

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

"SG&A Costs" means all costs for commercial management, general and administrative services for the Issuer, the Rigco, the Modular Holdco and the Parent, in no event exceeding USD 3,000 per day.

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

"**Subordinated Loans**" means any loan granted from the Parent and/or the Modular Holdco as lender to the Issuer as borrower, subject to such loan being assigned in ~~favor~~favour of the Bond Trustee.

"**Subordinated Loan Agreement**" means an agreement between the Issuer as borrower and the Parent or the Modular Holdco (as the case may be) as lender documenting a Subordinated Loan.

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

"Third Amendment and Restatement Agreement" means the amendment and restatement agreement between the Issuer and the Bond Trustee dated June 2019.

"Total Assets" means the aggregate amount which would in accordance with IFRS be shown in the Issuer's consolidated financial statements as its total assets.

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

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

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

"Withholding Tax" means for the purpose of the Parent or the Rigco any documented Withholding Tax applicable upon transfers from the Parent, or the Rigco in accordance with Clause 13.9.1 or Clause 13.9.2 and for the purpose of the Issuer any Withholding Tax to the extent applicable for the Issuer upon interest payment or instalments documented to be payable by the respective party.

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

"Yard" means the yard of Loadmaster Universal Rigs, Inc in Orange, Texas, USA.

1.2 Construction

In this Bond Agreement, unless the context otherwise requires:

- (i) headings are for ease of reference only;
- (ii) words denoting the singular number shall include the plural and vice versa;
- (iii) references to Clauses are references to the Clauses of this Bond Agreement;
- (iv) references to a time is a reference to Oslo time;
- (v) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings, judgments and other binding decisions relating to such provision or regulation;
- (vi) an Event of Default is "**continuing**" if it has not been remedied or waived; and
- (vii) references to a "**person**" shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

2 The Bonds

2.1 Binding nature of this Bond Agreement

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

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

2.2 *The Bonds*

Pursuant to the Original Bond Agreement, the Issuer has issued a series of Bonds in the initial maximum amount of USD 75,000,000 (U.S. Dollar seventy five million) with a current outstanding principal amount as of the Amendment Date of USD ~~49,500,000~~ 49,000,000 (U.S. Dollar forty nine million ~~five hundred thousand~~).

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

The Bond Issue will be described as "10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/~~2016~~2020 with step up".

The ISIN of the Bond Issue will be NO 001071521.2.

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

3 **Listing**

3.1 The Issuer is under no obligation to list the Bonds on a regulated market or on Oslo Børs ASA's Nordic ABM, but shall have the right to list the Bonds if it so desires on the Luxembourg Stock Exchange, the Euro MTF Market, Oslo Børs, Nordic ABM or another internationally recognized stock exchange approved by the Bond Trustee.

3.2 If the Bonds are listed, the Issuer shall ensure that the Bonds remain listed until they have been discharged in full.

4 **Registration in the Securities Depository**

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

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

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

5 **Purchase and transfer of Bonds**

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

5.2 Notwithstanding the above, a Bondholder which has purchased the Bonds in breach of applicable mandatory restrictions may nevertheless utilize its rights (including, but not limited to, voting rights) under this Bond Agreement.

6 **Conditions Precedent**

Disbursement of the net proceeds of the Bonds was subject to the Bond Trustee (on behalf of the Bondholders) having received the documents set forth in Clause 6.1 of the Original Bond Agreement, in form and substance satisfactory to it at least two (2) Business Days prior to the Issue Date.

7 **Representations and Warranties**

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

7.1.1 Status

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

7.1.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.1.3 Valid, binding and enforceable obligations

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

7.1.4 Non-conflict with other obligations

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

7.1.5 No Event of Default

- (i) No Event of Default exists or is likely to result from the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (ii) No other event or circumstance is outstanding which constitutes (or with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or

termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.1.6 Authorizations and consents

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

- (i) to enable it to enter into, exercise its rights and comply with its obligations under this Bond Agreement or any other Finance Document to which it is a party; and
- (ii) to carry on its business as presently conducted and as contemplated by this Bond Agreement,

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

7.1.7 Litigation

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

7.1.8 Financial Statements

Its most recent Financial Statements and Interim Accounts fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with GAAP, consistently applied.

7.1.9 No Material Adverse Effect

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

7.1.10 No misleading information

Any factual information provided by it to the subscribers or the Bond Trustee for the purposes of this Bond Issue was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.1.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under this Bond Agreement.

7.1.12 *Pari passu* ranking

Its payment obligations under this Bond Agreement or any other Finance Document to which it is a party rank at least *pari passu* as set out in Clause 8.1.

7.1.13 Security

No Security exists over any of the present assets of any Group Company in conflict with this Bond Agreement.

7.2 The representations and warranties set out in Clause 7.1 are made on the execution date of this Bond Agreement, and shall be deemed to be repeated on the Issue Date and on each drawdown date.

8 Status of the Bonds and security

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

8.2 The Bonds, including accrued but unpaid interest, costs and expenses, shall be secured by the Security Interests.

8.3 *Employment Contracts and Additional Security*

8.3.1 Subject to Clause 13.9.1, Employment Contracts may be entered into:

- (i) between the Parent and the relevant client, in which case Rigco and the Parent shall enter into a Intercompany Lease; or
- (ii) between Rigco and the relevant client, in which case the Operational Management Agreement shall become effective.

8.3.2 To the extent required (if required by a client under an Employment Contract), in order to perfect any Security provided or to be provided as Security for the obligations under the Finance Documents, secure the application of earnings under the relevant Employment Contract or otherwise the Bond Trustee shall be authorised to:

- (i) negotiate, finalise and execute any quiet enjoyment letter; and/or
- (ii) establish a Mexican Trust in such form and substance reasonably requested by the Bond Trustee and to be acknowledged by the relevant client, allowing for the receipt of the earnings under any Employment Contract in a trust account located in Mexico, conversion of any amounts received into USD and transfer of such USD to the Parent Modular Earnings Account or the Rigco Earnings Account for application in accordance with Clause 13.9.1 or Clause 13.9.2.

8.3.3 The Issuer shall in connection with start of operation under the any new Employment Contract (other than the Pemex Contract), subject to the following deadlines and conditions, procure and evidence that the following Security has been duly executed and perfected by all parties thereto:

- (i) a Rigco Assignment of Intercompany Lease no later than ten (10) days after the date of the relevant Employment Contract, but in any event no later than ten (10) days prior to the commencement date of such Employment Contract;
- (ii) an Assignment of Earnings, no later than sixty (60) days after the date of the relevant Employment Contract, but in any event no later than ten (10) days prior to the commencement date of such Employment Contract;

- (iii) an Assignment of Employment Contract if and to the extent (a) permitted by applicable law, (b) permitted by the relevant Employment Contract and (c) if required by the relevant Employment Contract, consents or authorisations from the relevant client have been obtained by the Parent or the Rigco or the (as the case may be) by using reasonable best endeavours, no later than thirty (30) days after consent has been obtained; and
- (iv) an Assignment of Operational Management Agreement and Assignment of SG&A Agreement, if an Employment Contract is entered into by Rigco, no later than ten (10) days after the date of the relevant Employment Contract, but in any event no later than ten (10) days prior to the commencement date of such Employment Contract.

8.3.4 ~~8.3.1~~ The Issuer shall ensure that the rights of the Parent or the Modular Holdco (as the case may be) under any Subordinated Loans are assigned (or subject to similar Security under the relevant jurisdiction) on first priority in favour of the Bond Trustee to secure all outstanding obligations under the Finance Documents.

8.3.5 ~~8.3.2~~ The Issuer shall procure that legal opinions in respect of any Additional Security are provided to the Bond Trustee (on behalf of the Bondholders), such legal opinions to include, inter alia, confirmations on capacity, validity, perfection and enforceability of such Additional Security (in form and content satisfactory to the Bond Trustee), together with any such other relevant documents, evidence and confirmations as the Bond Trustee may reasonably require.

9 Interest

9.1 The Issuer shall pay interest on the par value of the Bonds as follows:

- (i) from, and including, the Issue Date to, and including, 30 November 2016 at 10.00% per annum;
- (ii) from, and including, 1 December 2016 to, and including, 30 April 2017 at 8.875% per annum;
- (iii) from, and including, 1 May 2017 to the Maturity Date at 10.00% per annum.

9.2 ~~Interest~~ Save as provided for in Clause 9.4, interest payments shall be made in quarterly arrears on the Interest Payment Dates.

9.3 The interest payments originally due on the Interest Payment Dates in July 2018, October 2018, January 2019 and April 2019, totalling USD 4,900,000.00, shall be capitalized and added to the Outstanding Bonds at 10% of such deferred amount, totalling USD 5,390,000.00 (consisting of the aforementioned interest payment of USD 4,900,000.00, plus an additional 10 % of USD 490,000.00), by issuance of additional Bonds.

9.4 The interest accrued during the interest period from 30 April 2019 to 31 July 2019, shall be calculated based on this period and be paid on 31 July 2019.

9.5 ~~9.3~~ Save as provided for in Clause ~~Clause~~s 9.1 and 9.4 above, the relevant interest payable amount shall be calculated based on a period from and including an Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.

9.6 ~~9.4~~ The day count fraction ("Fixed Rate Day Count Fraction") in respect of the calculation of the payable interest amount shall be "30/360", which means that the number of days in the calculation period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-days months (unless (i) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the calculation period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

9.7 ~~9.5~~ The payable interest amount per Bond for a relevant calculation period shall be calculated as follows:

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

10 Instalments, Maturity of the Bonds and Redemption

10.1 Instalments and Maturity

10.1.1 The Bonds shall be repaid as follows:

(i) ~~10.1.1~~ The Issuer shall ~~repay the Bonds in instalments of USD 510,000 on each Interest Payment Date to redeem Bonds at 102% of par (i.e. USD 500,000 of Bonds will be redeemed on each such date).~~ (a) on the Monthly Reporting Date prior to the Interest Payment Date, calculate and instruct the Paying Agent (and if applicable request confirmation from the Bond Trustee) to pay instalments with an amount equal to the balance of the Interest and Amortization Reserve Account on the Monthly Reporting Date, plus the application of earnings to be transferred to the Interest and Amortization Reserve Account in accordance with the Form of Release Request to the Paying Agent on the Monthly Reporting Date, less the interest and, to the extent applicable, any Deferred Interest Amount, to be paid on the Interest Payment Date (the "Instalment Cash Sweep"), and (b) thereafter follow any payment procedure of the Paying Agent and/or Securities Depository required for the instalments to be made at the earliest practically possible and if possible on the Interest Payment Date and in no event later than 5 Business Days after the Interest Payment Date.

~~10.1.2~~ ~~If there is an increase in the rate of hire under the Pemex Contract at any point in time following the Amendment Date where the daily rate is higher than the prevailing daily rate as of the Amendment Date (being USD 48,200 per day), the instalments payable in accordance with Clause 10.1.1 shall be increased so that the full amount by which the daily rate received exceeds the daily rate as of the Amendment Date shall be paid to the Bondholders, provided always that Pemex or any of its affiliates has paid the funds relating to such increase to the Parent within twenty (20) Business Days prior to the relevant Interest Payment Date. The Issuer shall notify the Bond Trustee and the Paying Agent, no later than five (5) Business Days after receiving confirmation of the increase in the rate of hire, of the increased instalment that will be payable on the second subsequent Interest Payment Date and on each Interest Payment Date thereafter, provided always that Pemex or any of its affiliates has paid the funds relating to such increase to the Parent within twenty (20) Business Days prior to the relevant Interest Payment Date.~~

(ii) From, and including, the Interest Payment Date falling on January 15th, 2020, the Instalment Cash Sweep shall not be less than US\$ 500,000 plus 2 %.

(iii) For the avoidance of doubt, the Instalment Cash Sweep shall in all cases repay the Bonds at 102 % of par.

10.1.2 ~~10.1.3~~ The Bonds not repaid pursuant to Clause 10.1.1 above ~~or Clause 10.3 (Excess Cash Flow sweep)~~ shall mature in full on the Maturity Date, and shall be repaid by the Issuer at 102% of par.

10.1.3 Any instalments originally due in July 2018, October 2018, January 2019 and April 2019, deferred and not capitalized, shall be capitalized by issuance of additional Bonds at 100% of par.

10.2 Call Option

10.2.1 The Issuer may redeem the Bonds (all or nothing) at 102% of par plus accrued unpaid interest on the redeemed amount.

10.2.2 Exercise of the Call Option shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least ten (10) Business Days prior to the settlement date of the Call Option.

10.2.3 On the settlement date of the Call Option, the Issuer shall pay to each of the Bondholders holding Bonds, in respect of each such Bond, the principal amount of such Bond (including any premium as stated above) and any unpaid interest accrued up to the settlement date.

~~10.3 Excess Cash Flow sweep~~

~~10.3.1 On each Excess Cash Flow Calculation Date, if the Excess Cash Flow (calculated in respect of the Excess Cash Flow Period ending on the Excess Cash Flow Calculation Date) is more than zero (0), the Issuer shall as soon as reasonably possible after the Excess Cash Flow Calculation Date transfer the Excess Cash Flow to the Debt Service Account and apply the funds in redemption of Bonds pro rata from all Bondholders at 102% of par value plus accrued unpaid interest, if any, on the redeemed amount.~~

~~10.3.2 For the purpose of documenting the Excess Cash Flow, the Issuer shall deliver an Excess Cash Flow Notice to the Bond Trustee as soon as reasonably possible after the Excess Cash Flow Calculation Date. The Excess Cash Flow Notice shall be posted to Stamdata.~~

~~10.3.3 The Excess Cash Flow shall be properly documented and documentation supporting the calculation of the Excess Cash Flow shall be provided to the Bond Trustee (and/or any advisor appointed by the Bond Trustee to review such information) upon request. The Excess Cash Flow Notice shall set out the calculation of the Excess Cash Flow and application thereof to the Bond Trustee and the Bondholders on a quarterly basis and maintain a report containing historical and accrued amounts in relation to the Excess Cash Flow.~~

~~10.3.4 The Bond Trustee shall have the right, but no obligation, at the expense of the Issuer to appoint a third party expert or advisor for the purpose of ensuring an independent review of any Excess Cash Flow Calculation Notice and/or Release Request (including any supporting documentation) and compliance thereof with the terms of the Bond Agreement. The third party expert or advisor shall be one of either Deloitte Touche~~

~~Tohatsu, Ernst & Young, KPMG or PricewaterhouseCoopers in Mexico and its fees shall be negotiated directly with the Issuer. Such third party review shall be undertaken if requested in writing Bondholders holding more than 2/3 of the Voting Bonds. The Issuer shall comply with all reasonable information requests from such third party expert or advisor and promptly upon request pay any costs associated with such review (and, if requested by the Bond Trustee, make advance payments of any third party fees). For the avoidance of doubt, this Clause 10.3.4 is in addition to any other rights under this Bond Agreement or any other Finance Document and shall in no way be prejudicial to such other rights.~~

~~10.3.5~~ Upon request from the Bond Trustee (and/or a third party expert or advisor appointed by the Bond Trustee), the Issuer shall provide such supporting evidence as the Bond Trustee (and/or a third party expert or advisor appointed by the Bond Trustee) may require in order to verify the transactions underlying the Release Request and/or the information contained therein.

~~10.3.6~~ If a review of any Excess Cash Flow Calculation Notice and/or Release Request shows that any amounts have been improperly paid and/or deducted from the Excess Cash Flow, upon written notice from the Bond Trustee, such amounts shall be repaid by the Issuer within five (5) Business Days of receipt by the Issuer of such notice.

10.3 ~~10.4~~ Change of control

~~10.3.1~~ ~~10.4.1~~ Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a "Put Option") at a price of 101% of par plus accrued interest.

~~10.3.2~~ ~~10.4.2~~ The Put Option must be exercised within sixty calendar days after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible but in any event, within five (5) days after a Change of Control Event has taken place.

~~10.3.3~~ ~~10.4.3~~ The Put Option may be exercised by each Bondholder by giving written notice of the request to its Account Manager. The Account Manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third Business Day after the end of the two month exercise period of the Put Option.

~~10.3.4~~ ~~10.4.4~~ On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond (including any premium pursuant to Clause ~~10.4~~ ~~10.3.1~~) and any unpaid interest accrued up to (but not including) the settlement date.

10.4 ~~10.5~~ Mandatory Prepayment

Upon a Mandatory Prepayment Event occurring, the Issuer shall not later than thirty (30) days following the relevant Mandatory Prepayment Event (unless there is an Event of Default in which case it will be promptly) repay;

- (i) 100% of the outstanding Bonds upon a Full Mandatory Prepayment Event; and
- (ii) a number of outstanding Bonds (taking into account applicable call premium and accrued interest) corresponding to the amount received in proceeds (by the Issuer or the Parent as the case may be) upon a Partial Mandatory Prepayment Event,

in all cases at a price equal to 102% of par value (plus accrued interest on redeemed amount), however, so that all payments shall be made *pro rata* and without any preference or priority between the Bondholders of any kind.

10.4.2 ~~10.5.2~~ If the Bonds are redeemed according to this Mandatory Prepayment provision after a Full Mandatory Prepayment Event, any amount in the Interest and Amortization Reserve Account and the Debt Service Account may be used as part payment in relation to the Mandatory Prepayment.

11 Payments

11.1 *Covenant to pay*

11.1.1 The Issuer will on any Payment Date (or any other due date pursuant to any Finance Document) unconditionally pay to or to the order of the Bond Trustee all amounts due under this Bond Agreement or any other Finance Document.

11.1.2 The covenant contained in Clause 11.1.1 shall be for the benefit of the Bond Trustee and the Bondholders.

11.2 *Payment mechanics*

11.2.1 If no specific order is made by the Bond Trustee under Clause 11.1.1, the Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.

11.2.2 Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but if the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question, see however Clause 11.3.

11.2.3 In case of irregular payments, the Bond Trustee may instruct the Issuer, the Bondholders or others of other payment mechanisms than described in Clause 11.2.1 or 11.2.2 above. The Bond Trustee may also obtain payment information regarding Bondholders' accounts from the Securities Depository or Account Managers.

11.2.4 Subject to Clause 11.3, payment by the Issuer in accordance with this Clause 11.2 shall constitute good discharge of its obligations under Clause 11.1.1.

11.3 *Currency*

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

11.3.2 Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency as the Bonds are denominated in. If, however, the Bondholder has not given instruction as set out in

Clause 11.3 within five (5) Business Days prior to ~~a~~an Interest Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder's account in the Securities Depository.

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

11.4 *Set-off and counterclaims*

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

11.5 *Interest in the event of late payment*

11.5.1 In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due date at an interest rate equivalent to the interest rate according to Clause 9 plus five percentage points (5.00%) per annum.

11.5.2 The interest charged under this Clause 11.5 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.

11.5.3 The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 15.1.1, cf. Clauses 15.2 - 15.4.

11.6 *Partial payments*

If the Bond Trustee or the Paying Agent receives a payment ~~(other than pursuant to Clause 10.3 (Excess Cash Flow sweep))~~ that is insufficient to discharge all the amounts then due and payable under the Finance Documents, that payment shall be applied in the following order:

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

12 **Issuer's acquisition of Bonds**

The Group and the Parent have the right to acquire and own Bonds (Issuer's Bonds), which shall be immediately cancelled upon acquisition.

13 Covenants

13.1 General

~~13.1.1~~ The Issuer undertakes from the date of this Bond Agreement and until such time that no amounts are outstanding under this Bond Agreement or any other Finance Document, to the Bond Trustee, to comply or procure the compliance such covenants as further set out in this Clause 13.

13.2 Information Covenants

13.2.1 Financial Statements

(i) The Parent and the Issuer shall prepare Financial Statements and Interim Accounts and make them available on the Parent's website in the English language (alternatively by arranging for publication at Stamdata) as soon as they become available, but not later than 120 days after the end of the financial year in respect of the Financial Statements and 60 days after the end of the relevant quarter in respect of the Interim Accounts, provided always that such preparation and publication of reports are in accordance with applicable rules and regulations.

(ii) Such reports shall be prepared in accordance with IFRS, and include a profit and loss account, balance sheet, ~~cash flow statement~~ and management or board commentary.

~~(iii) The quarterly Financial Statements prepared in accordance with Clause 13.2.1(i) above, shall be accompanied by the following information:~~

~~(1) status per month of all invoices raised with Pemex;~~

~~(2) amounts of the factoring arrangements;~~

~~(3) details of any intercompany transactions and intercompany outstanding balances, in respect of arrangements between the Rigco, the Parent, the Issuer, the Modular Holdco and any other company affiliated with the Parent; and~~

~~(4) the specific location of the Rig.~~

13.2.2 Miscellaneous

The Issuer shall:

(i) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default, any event or circumstance which could reasonably be expected to lead to an Event of Default and any other event which could reasonably be expected to have a Material Adverse Effect;

(ii) without being requested to do so, inform the Bond Trustee in writing if the Issuer agrees to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;

- (iii) deliver the Budget for the relevant calendar year to the Bond Trustee for posting on Stamdata no later than January 15 ~~(or, in respect of calendar year 2018, no later than the Amendment Date)~~;
- (iv) on each Monthly Reporting Date, prepare and deliver to the Bond Trustee the Income and Release Statement;
- (v) ~~(iv)~~ at the request of the Bond Trustee, report the balance of the Issuer's Bonds;
- (vi) ~~(v)~~ without being requested to do so, send the Bond Trustee copies of any statutory notifications of the Issuer, the Modular Holdco and the Rigco, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (vii) ~~(vi)~~ if the Bonds are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange;
- (viii) ~~(vii)~~ upon a request from Bondholders holding more than 2/3 of the Voting Bonds, provide details of the balance on the Parent Modular Earnings Account, Rigco Earnings Account, Issuer Liquidity Account, Parent Operating Expense Account, the Interest and Amortization Reserve Account, the Rigco Liquidity Account and/or the Debt Service Account, including a statement of transactions for any period requested, within five (5) Business Days of such request;
- (ix) ~~(viii)~~ if the Issuer and/or the Bonds are rated, without being requested to do so, inform the Bond Trustee of its and/or the rating of the Bond Issue, and any changes to such rating;
- (x) ~~(ix)~~ without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond trustee is entitled to receive such information from the Security Depository or Paying Agent directly);
- (xi) ~~(x)~~ at the request of the Bond Trustee, provide documentation of Rig expenses to the reasonable satisfaction of the Bond Trustee; and
- (xii) ~~(xi)~~ within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request.

13.2.3 Independent Review

- (i) The Bond Trustee shall have the right, but no obligation, at the expense of the Issuer to appoint a third party expert or advisor for the purpose of ensuring an independent review of any Income and Release Statement or Release Request (including any supporting documentation) and compliance thereof with the terms of the Bond Agreement. The third party expert or advisor shall be one of either Deloitte Touche Tohmatsu, Ernst & Young, KPMG or PricewaterhouseCoopers in Mexico and its fees shall be negotiated directly with the Issuer. Such third party review shall be undertaken if requested in writing Bondholders holding more than 2/3 of the Voting Bonds. The Issuer shall comply with all reasonable information requests from such third party expert or advisor and promptly upon request pay any costs associated with such review (and, if requested by the Bond Trustee, make advance payments of any third

party fees). For the avoidance of doubt, this Clause 10.3.4 is in addition to any other rights under this Bond Agreement or any other Finance Document and shall in no way be prejudicial to such other rights.

- (ii) Upon request from the Bond Trustee (and/or a third party expert or advisor appointed by the Bond Trustee), the Issuer shall provide such supporting evidence as the Bond Trustee (and/or a third party expert or advisor appointed by the Bond Trustee) may require in order to verify the transactions underlying the Release Request and/or the information contained therein.
- (iii) If a review of the Income and Release Statement or Release Request shows that any amounts have been improperly paid and/or deducted, upon written notice from the Bond Trustee, such amounts shall be repaid by the Issuer within five (5) Business Days of receipt by the Issuer of such notice.

13.2.4 ~~13.2.3~~ Compliance certificate

The Issuer shall in connection with the publication of its financial reports under Clause 13.2.1 (*Financial Statements*) confirm to the Bond Trustee in writing the Issuer's compliance with the covenants in this Clause 13, unless the Bond Trustee explicitly waives such requirement. Such confirmation shall be undertaken in a certificate, substantially in the form set out in Attachment 1, signed by the Chief Executive Officer or Chief Financial Officer of the Issuer (a "**Compliance Certificate**"). In the event of non-compliance, the Compliance Certificate shall describe the non-compliance, the reasons therefore as well as the steps which the Issuer has taken and will take in order to rectify the non-compliance.

~~13.2.4~~ ~~Monthly update~~

~~The Issuer shall provide a monthly update in the form set out in Attachment 4 to the Bond Trustee to be posted on Stamdata no later than five (5) Business Days after the end of the relevant month.~~

13.2.5 Notification of changes to Pemex Contract

If (a) Pemex requests, suggests or indicates (whether in writing or otherwise) that it wishes to or will (i) delay payment or reduce amounts payable under the Pemex Contract in respect of the Rig and/or (b) the Issuer negotiates any change to the Pemex Contract, the Issuer shall inform the Bond Trustee within ten (10) Business days of any such communication from Pemex being received. The Bond Trustee shall not disclose the information received from the Issuer pursuant to this Clause 13.2.5 on Stamdata. However, the Bond Trustee may upon request disclose any such information received from the Issuer to any Bondholder, subject to such Bondholder entering into a confidentiality undertaking with the Issuer on terms reasonably satisfactory to the Issuer.

13.2.6 Stamdata

The Issuer shall ensure that any document which is required to be delivered by it shall be provided fully compiled in a pdf-format and, in respect of the Release Request, be both in a redacted and unredacted version.

13.3 *Issuer General and Special Covenants*

During the term of the Bonds, the Issuer shall (unless the Bond Trustee or the Bondholders' Meeting (as the case may be) in writing has agreed otherwise) comply with the following general and special covenants:

13.3.1 *Pari passu ranking*

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

13.3.2 *Mergers*

The Issuer shall not carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer with any other companies or entities, and the Issuer shall procure that no such merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of any of the Modular Holdco or the Rigco with any other companies or entities shall occur, if such a transaction would cause a Material Adverse Effect.

13.3.3 *De-mergers*

The Issuer shall not carry out any de-merger or other corporate reorganization involving a split of the Issuer into two or more separate companies or entities, and the Issuer shall procure that no such de-merger or other corporate reorganization involving a split of any of the Modular Holdco or the Rigco shall occur, if it would have a Material Adverse Effect.

13.3.4 *Continuation of business*

The Issuer shall not and shall procure that neither the Modular Holdco nor the Rigco shall cease to carry on its business, and shall procure that no changes are made to the general nature of the business from that carried on at the date of the Bond Agreement, and/or as set out in the Bond Agreement.

13.3.5 *Negative Pledge*

The Issuer shall not and shall procure that neither the Modular Holdco nor the Rigco shall create, permit to subsist or allow to exist any security over any of its present or future respective assets or revenues, other than the Security under this Bond Issue and the Permitted Security.

13.3.6 *Disposal of business*

The Issuer shall not, and shall procure that no other Group Company shall, sell or otherwise dispose of all or a substantial part of the Group's assets or operations, unless:

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

13.3.7 *Arm's length transactions*

The Issuer shall not and shall procure that neither the Modular Holdco nor the Rigco shall enter into any transaction with any person except on arm's length terms and for fair market value.

13.3.8 No other business

The Issuer shall remain a single purpose holding vehicle for the purpose of owning the shares in Latina Offshore Limited and the Modular Holdco, and shall not acquire or initiate any additional assets (other than additional shares through permitted equity increases) or operations (or assume any liabilities in respect thereto).

13.3.9 Corporate status

The Issuer shall not and shall procure that neither the Modular Holdco nor the Rigco shall change its type of organization or jurisdiction of incorporation.

13.3.10 Ownership

The Issuer shall maintain 100% direct ownership and control over the Modular Holdco and shall procure that the Modular Holdco maintains 100% direct ownership and control over the Rigco, subject always to the Mandatory Prepayment provisions. The Issuer shall also maintain 100% direct ownership and control over Latina Offshore Limited, subject always to the Mandatory Prepayment provisions.

13.3.11 Distributions

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

13.3.12 Latina Offshore Limited Mandatory Repayment

In the event of a completed full mandatory prepayment of the Existing Bond (including all interest and costs), the Issuer shall procure that any remaining cash amount held by Latina Offshore Limited shall be distributed to the Issuer as a Partial Mandatory Prepayment as set out in Clause ~~10.5~~10.4(ii).

~~13.3.13 Mexican Operating Accounts~~

~~The Issuer shall not hold amounts in Mexican Operating Accounts which (when aggregated with amounts held by the Modular Holdco and the Rigco) exceed USD 300,000 (or an equivalent amount in Mexican pesos) and shall ensure that any Mexican Operating Account held by it shall be used solely to receive funds to and pay the cost of Relevant Deductions from a Mexican bank account or in Mexican pesos and that payment of such Relevant Deductions is made without delay and in any event no later than twenty (20) Business Days following receipt of funds into the Mexican Operating Account.~~

13.3.13 ~~13.3.14~~ Financial Assistance

The Issuer shall not and shall procure that neither the Modular Holdco or the Rigco shall grant any loans, guarantees or other financial assistance (including, but not limited to granting security) to any third party other than the Permitted Financial Assistance.

13.3.14 ~~13.3.15~~ No Financial Indebtedness

Issuer shall not and shall procure that neither the Modular Holdco nor the Rigco shall incur or permit to remain outstanding, any Financial Indebtedness (whether secured or unsecured or from affiliates or third parties) other than (i) the Financial Indebtedness arising under the Bond Issue; (ii) any Subordinated Loans from the Parent; (iii) any Intercompany Loans; and (iv) Financial Indebtedness arising in the ordinary course of business, always provided compliance with the Debt Level set out in Clause 13.4

13.3.15 ~~13.3.16~~ Application of Earnings

The Issuer shall comply with the requirements for application of earnings set out in Clause ~~13.8~~13.9.

13.3.16 ~~13.3.17~~ Intercompany Loans - Disbursement

Any forwarding of proceeds from the Bond Issue by the Issuer to the Rigco (whether made directly or through the Modular Holdco), shall be carried out by way of Intercompany Loans.

13.3.17 ~~13.3.18~~ Intercompany Loans - Service

For the avoidance of doubt, no covenants shall restrict the Rigco's (and the Modular Holdco's, if relevant) ability to service the interest and principal amount of any Intercompany Loan.

13.3.18 ~~13.3.19~~ Maintenance of insurances

The Issuer shall procure that reasonable and satisfactory maintenance of insurances of the Rig and all relevant equipment related thereto is provided for at all times.

The Rig shall be adequately insured against such risks and in such amounts as per industry standards and otherwise reasonably required by and placed or entered with such reputable insurers, brokers or P&I clubs of financial standing as approved by and otherwise acceptable to the Bond Trustee on agreed value basis, including without limitation (i) war risk; (ii) Hull & Machinery (and, if relevant, Hull Interest and/or Freight Interest); (ii) third party liability insurance as per industry standards; and (iv) any additional insurance required under any law or the Pemex Contract (or other applicable client contract).

13.3.19 ~~13.3.20~~ Compliance with laws

The Issuer shall perform its, and shall procure that each of the Modular Holdco and the Rigco performs its, business (i) in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time and (ii) without being engaged in any conduct prohibited by any economic sanctions laws, regulations, embargoes or restrictive measures or decisions applicable to any Group Company, imposed, adopted, enacted, implemented enforced or administrated by, or by any authority acting on behalf of or designated by, (a) the Norwegian State; (b) the United Nations; (c) the European Union; and/or (d) the United States of America, and with regard to (a)-(d) above, the respective governmental institutions and agencies of any of the foregoing, including, without limitation, the Office of Foreign Assets Control of the US Department of Treasury (OFAC) and the United States Department of State.

13.3.20 ~~13.3.21~~ Subordination of loans

The Issuer shall ensure that any Subordinated Loan shall be unsecured and fully subordinated to the Bonds and any Intercompany Loans, and shall have a maturity date (and actually be partly or fully repaid) later than the date of the redemption of the Bonds in full, and shall ensure that no interest or amortization payments are made on such loans during the term of the Bonds.

13.3.21 ~~13.3.22~~ Interest and Amortization Reserve Account

The Issuer shall ensure that the Interest and Amortization Reserve Account is funded in accordance with the flow of funds in Clause 13.9 (Application of Earnings) (if any). The Issuer shall ensure that any amounts deposited on ~~the Interest Reserve Account~~ such account are used for payment of interest and instalment on the next relevant Interest Payment Date.

13.4 *Financial Covenants – Debt Level*

The Debt Level of the Issuer (on a consolidated basis) shall not exceed USD 360 million.

13.5 Contract Related Covenants

13.5.1 SG&A Agreement

The Parent, the Issuer, Modular Holdco and the Rigco shall:

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

13.5.2 Operational Management Agreement

The Parent, the Issuer, Modular Holdco and the Rigco shall:

- (i) ensure that the Issuer, the Rigco and the Modular Holdco enter into the Operational Management Agreement with the Parent, which shall not be amended, assigned or terminated or allow for any amendments, assignment or termination of such agreement other than set out in this Bond Agreement; and
- (ii) ensure that the Operational Management Agreement is based on market terms and that the Operational Management Agreement Fee to be paid to the Parent under the Operational Management Agreement in no event exceeds the Operating Expenses.

13.5.3 Intercompany Lease(s)

The Parent, the Issuer, Modular Holdco and the Rigco shall each ensure that all rates payable under the Intercompany Leases shall be equal to the Intercompany Lease Rate;

13.5.4 The Employment Contract(s)

The Parent (and the Rigco if applicable) shall:

- (i) take all necessary action to prevent the termination of any Employment Contract or (to the extent relevant) in accordance with the terms thereof or otherwise, other than as a result of expiry of the relevant contract period or termination by counter party against payment of early termination fees reflecting remaining contract period;
- (ii) take any and all action as may be reasonably necessary promptly to enforce its rights and to collect any and all sums due to it under such Employment Contract.

13.6 ~~13.5~~ Parent Special Covenants

13.6.1 ~~13.5.1~~ Ownership

The Parent shall maintain 100% direct ownership and control over the Issuer and procure that the Issuer maintains 100% direct ownership and control over the Modular Holdco and the Modular Holdco maintains 100% direct ownership and control over the Rigco and the Rigco maintains 100% ownership of the Rig, subject always to the Mandatory Prepayment provisions.

13.6.2 ~~13.5.2~~ Equity requirement

In the event of a capital injection being required in the Issuer, the Parent shall ensure that such capital is provided in the form of equity from the Parent (any additional shares to be added to and become subject to the Issuer Share Charge).

13.6.3 ~~13.5.3~~ Application of Earnings

The Parent shall comply with the requirements for application of earnings set out in Clause ~~13.8~~13.9.

13.6.4 ~~13.5.4~~ Additional units or commitments

The Parent shall procure that neither the Issuer, the Modular Holdco, the Rigco or any other subsidiary of the Issuer shall acquire, order or in any other way assume any liability or make any commitment with respect to any additional drilling rig or other offshore operational vessel or unit, or make or commit any other material new capital expenditures other than related to the ~~group~~Group's existing drilling rigs, i.e. the Rig and the Jack-Up Rigs.

13.6.5 ~~13.5.5~~ No enforcement

Parent shall not enforce any monetary claim against the Issuer, the Modular Holdco or the Rigco without prior written consent of the Bond Trustee, nor permit any affiliated party to enforce such claim.

13.6.6 ~~13.5.6~~ Loyalty

Parent shall in its capacity as direct and indirect controlling shareholder of the Issuer, the Modular Holdco and the Rigco act in accordance with and loyalty to the terms of the Finance Documents in all material respects, e.g. not demand or vote in favour of any dividend payments or other distributions from the Issuer nor seek to enforce any loan or security.

13.6.7 ~~13.5.7~~ Security

The Parent shall ensure the due and timely execution and perfection of any security to which it shall become a party pursuant to the terms of this Bond Agreement and at all times ensure that security granted by it remains duly created, enforceable and perfected on its relevant priority.

13.6.8 ~~13.5.8~~ Mandatory Prepayment

To the extent a Mandatory Prepayment Event occurs involving the Parent, the Parent shall procure the relevant Mandatory Prepayment to be made and shall instruct its relevant direct or indirect Subsidiaries (i.e. the Subsidiaries of the Issuer) to make any repayment of any Intercompany Loans (or other payments) to the ~~Parent~~ Parent Repayment Interest and Amortization Reserve Account, to be used for Mandatory Prepayment, to the extent such payment would not be prohibited under the Existing Bond.

13.6.9 ~~13.5.9~~ Parent Modular Earnings Account

The Parent shall ensure that (i) any revenue under the Pemex Contract and proceeds from any Receivables Financing payable to the Parent (other than such revenue or proceeds payable to the Mexican Trustee under the Mexican Trust, if applicable) or (ii) any proceeds payable to the Parent under the Mexican Trust (if applicable) shall be paid to the Parent Modular Earnings Account.

~~13.5.10~~ ~~Parent Repayment Account~~

~~The Parent shall instruct all its direct and indirect Subsidiaries (i.e. the Subsidiaries of the Issuer) that any payments to be made to the Parent shall be made into the Parent Repayment Account to the extent such payments would not be prohibited under the Existing Bond.~~

13.6.10 ~~13.5.11~~ Negative Pledge

The Parent will not and it will procure that none of its Subsidiaries will create or agree to create or permit to subsist any Security over any asset subject to the Security Interest other than (i) any Security permitted by the Bond Agreement and (ii) the Receivables Collateral.

13.7 ~~13.6~~ Modular Holdco Special Covenants

The Issuer shall procure that during the term of the Bonds, the Modular Holdco shall comply with the covenants set out below.

13.7.1 ~~13.6.1~~ Loyalty

The Modular Holdco shall in its capacity as direct controlling shareholder of the Rigco to the extent applicable act in accordance with and loyalty to the terms of the Finance Documents.

13.7.2 ~~13.6.2~~ Ownership

The Modular Holdco shall maintain 100% direct ownership and control of the shares in the Rigco, unless the Bonds are redeemed in full in accordance with the Mandatory Prepayment provisions.

13.7.3 ~~13.6.3~~ Application of Earnings

The Modular Holdco shall comply with the requirements for application of earnings set out in Clause ~~13.8~~13.9.

13.7.4 ~~13.6.4~~ Security

The Modular Holdco shall ensure the due and timely execution and perfection of any security to which it shall become a party pursuant to the terms of this Bond Agreement and at all times ensure that security granted by it remains duly created, enforceable and perfected on its relevant priority.

~~13.6.5 — Mexican Operating Accounts~~

~~The Modular Holdco shall not hold amounts in Mexican Operating Accounts which (when aggregated with amounts held by the Issuer and the Rigco) exceed USD 300,000 (or an equivalent amount in Mexican pesos) and shall ensure that any Mexican Operating Account held by it shall be used solely to receive funds to and pay the cost of Relevant Deductions from a Mexican bank account or in Mexican pesos and that payment of such Relevant Deductions is made without delay and in any event no later than twenty (20) Business Days following receipt of funds into the Mexican Operating Account.~~

13.8 ~~13.7~~ Rigco special covenants13.8.1 ~~13.7.1~~ Loyalty

The Rigco shall act in accordance with and loyalty to the terms of the Finance Documents.

13.8.2 ~~13.7.2~~ Application of Earnings

The Rigco shall comply with the requirements for application of earnings set out in Clause ~~13.8~~13.9.

13.8.3 ~~13.7.3~~ Security

The Rigco shall ensure the due and timely execution and perfection of any security to which it shall become a party pursuant to the terms of this Bond Agreement and at all times ensure that security granted by it remains duly created, enforceable and perfected on its relevant priority.

13.8.4 ~~13.7.4~~ Financial Indebtedness

The Rigco shall not incur or permit to remain outstanding, any Financial Indebtedness (whether secured or unsecured or from affiliates or third parties) other than (i) the Financial Indebtedness arising under the Bond Issue; (ii) any Intercompany Loans; and (iii) Financial Indebtedness arising in the ordinary course of business.

13.8.5 ~~13.7.5~~ Rigco Earnings Account

The Rigco shall ensure that under the Intercompany Lease and all its other net earnings relating to the Rig shall be paid to the Rigco Earnings Account.

~~13.7.6 — Mexican Operating Accounts~~

~~The Rigco shall not hold amounts in Mexican Operating Accounts which (when aggregated with amounts held by the Issuer and the Modular Holdco) exceed USD 300,000 (or an equivalent amount in Mexican pesos) and shall ensure that any Mexican Operating Account held by it shall be used solely to receive funds to and pay the cost of Relevant Deductions from a Mexican bank account or in Mexican pesos and that payment of such Relevant Deductions is made without delay and in any event no later than twenty (20) Business Days following receipt of funds into the Mexican Operating Account.~~

13.9 ~~13.8~~ Application of Earnings

~~1. ——— Waterfall~~

~~For as long as any revenue generated by the Rig and~~

13.9.1 Application of Earnings - Employment Contract with the Parent

To the extent an Employment Contract is entered into by the Parent, the Parent shall ensure that any earnings and other payments (including proceeds from any Receivables Financing) are received under the Pemex Contract, such revenue and proceeds shall be paid into the Parent Modular Earnings Account (or to the Mexican Trustee under the Mexican Trust (if applicable) and ~~any that~~ proceeds from the Mexican Trust shall be paid to the Parent Modular Earnings Account), ~~and thereafter the following transfers and payments shall be made on a quarterly basis:~~ On each Monthly Reporting Date, the Parent shall deliver the Income and Release Statement together with a Release Request to the Bond Trustee for transfer from the:

- (i) ~~firstly, the Parent shall transfer from such Parent Modular Earnings Account (a) to an operating account nominated by the Parent an amount equal to the Prior Relevant Deductions, Current Relevant Deductions and Next Relevant Deductions of the Parent (to pay or refund the cost of such Relevant Deductions); and (b) the Rigco Earnings Account an amount equal to the relevant Intercompany Lease Rate;~~ Parent Modular Earnings Account to the Parent Operating Expense Account, the Deductible SG&A Costs, the Deductible Operational Expenses, the Deductible Withholding Tax (if applicable), any Deductible Cost of Receivables Financing (if applicable) and the Implementation Costs;
- (ii) ~~secondly, the Rigco shall transfer from the Rigco Earnings Account (a) to the Rigco Liquidity Account an amount equal to the Prior Relevant Deductions, Current Relevant Deductions and Next Relevant Deductions of the Rigco and the Modular Holdco (to pay or refund the cost of such Relevant Deductions); and (b) to the Issuer Liquidity Account an amount equal to the relevant Rigco Transfer; and~~ Parent Modular Earnings Account to the Rigco Earnings Account (a) the Deductible Capital Expenditure and (b) the Deductible Intercompany Lease Rate; and
- (iii) ~~thirdly, the Issuer shall (a) retain in the Issuer Liquidity Account an amount equal to the Prior Relevant Deductions, Current Relevant Deductions and Next Relevant Deductions of the Issuer (to pay or refund the cost of such Relevant Deductions); (b) make a quarterly transfer to the Interest Reserve Account in the amount of the next interest payment; (c) make a quarterly transfer to the Debt Service Account for any amortization payment due under Clause 10.1.1 (such payment as may be increased from time to time); (d) transfer to the Debt Service Account any increase in the amortization payment to be paid in~~

~~accordance with Clause 10.1.2; and (e) transfer any remaining amount in the Issuer Liquidity Account to the Debt Service Account, Rigco Earnings Account to the Interest and Amortization Reserve Account the Deductible Intercompany Lease Rate (as repayment of the Intercompany Loan).~~

13.9.2 Application of Earnings - Employment Contract with Rigco

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

- (i) Rigco Earnings Account to the Parent Operating Expense Account the Deductible Operational Management Agreement Fee, the Deductible SG&A Agreement Fee any Deductible Cost of Receivable Financing (if applicable) and the Implementation Costs;
- (ii) Rigco Earnings Account to the Interest and Amortization Reserve Account, any amount remaining on the Rigco Earnings Account, less Deductible Withholding Tax (if applicable), Deductible Capital Expenditure, Deductible Cost of Receivables Financing (if applicable) and the Liquidity Buffer in each case remaining from transfers on the current and/or previous Monthly Reporting Dates (as repayment of the Intercompany Loan).

13.9.3 Deferred Deductible Amounts

~~and for the avoidance of doubt, non-compliance with this Clause 13.8 shall constitute a default under Clause 15.1.2 of~~Any deferrals in accordance with this Bond Agreement.

~~2. Rigco Transfers The Rigco Transfers to be made shall not have any effect on the Issuer's obligations in accordance with this Clause 13.8 shall be disbursed from the Rigco to the Issuer as dividends, equity reductions and/or extensions of Intercompany Loans from the Rigco~~Clause 9 and Clause 10.

~~3. Release of funds~~

~~For the purpose of completing the transfers to be made in accordance with this Clause 13.8, the Issuer shall deliver a Release Request to the Bond Trustee, which may be delivered no more often than two (2) times per month. The Release Request (subject to redaction of account numbers and similar) shall be posted on Stamdata.~~

~~No transfer shall be made from the Parent Modular Earnings Account to any other account without prior consent of the Bond Trustee.~~

13.9.4 Release of Capital Expenditure from the Rigco Earnings Account

Any request to release funds from the Rigco Earnings Account for payment of Capital Expenditure, is subject to such Capital Expenditure being documented and payable and any such release shall be transferred from the Rigco Earnings Account to a Mexican account in the name of Rigco and made at the same time as any release requests made in accordance with Clause 13.9.1 or 13.9.2.

14 Fees and expenses

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

Notwithstanding anything else contained in this Agreement, Implementation Costs will not be considered as a part of the Operating Expenses and may (if required) be transferred from the Parent Modular Earnings Account and/or Interest and Amortization Reserve Account before any payments are made in accordance with Clause 10.1.1.

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

14.3 Fees, costs and expenses payable to the Bond Trustee (or the Security Agent) which, due to the Issuer's insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee (or the Security Agent) in connection with the restructuring or default of the Bond Issue and the enforcement of any Security or Finance Document. If no such reduction of the proceeds is possible, the Bond Trustee may seek funding of such fees, costs and expenses from the Bondholders, or failing them, other third parties, in which case such other third parties will be subrogated into the position of the Bond Trustee and/or the Security Trustee, as the case may be, but subordinate to any further fees, costs and expenses of the Bond Trustee and the Security Trustee.

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

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

14.6 If the Issuer is required by law to withhold any ~~withholding tax~~ Withholding Tax from any payment under any Finance Document:

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

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

~~14.8 All the fees and expenses related to the Second Amendment and Restatement Agreement or payable under this Clause 14 will not be considered as a part of the operating expenses under the Budget and shall (if required) reduce any Excess Cash Flow in the Excess Cash Flow period in which they are incurred.~~

15 Events of Default

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

15.1.1 Non-payment

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

15.1.2 Breach of other obligations

The Issuer, the Parent, the Rigco or the Modular Holdco does not comply with any provision pursuant to this Bond Agreement or any other Finance Document, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten (10) Business Days after notice thereof is given to the Issuer by the Bond Trustee.

15.1.3 Cross default

If for the Issuer, the Modular Holdco or the Rigco:

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

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

15.1.4 Cross acceleration – Financial Indebtedness

If for the Parent:

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

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

15.1.5 Misrepresentations

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

15.1.6 Insolvency

- (i) The Issuer, the Modular Holdco or the Rigco, is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts.
- (ii) The value of the assets of the Issuer, the Modular Holdco or the Rigco is less than its liabilities (taking into account contingent and prospective liabilities)

15.1.7 Insolvency proceedings and dissolution

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

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

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

15.1.8 Creditors' process

The Issuer, the Modular Holdco or the Rigco having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in Clause 15.1.3 (*Cross default*) above.

15.1.9 Impossibility or illegality

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

15.1.10 Material Adverse Change

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

15.1.11 Latina Offshore Limited

- (i) If Latina Offshore Limited default on the Existing Bond or any other Financial Indebtedness of Latina Offshore Limited is not paid when due or is declared or becomes due and payable prior to its specified maturity, always provided that a threshold in the aggregate amount of Financial Indebtedness of a total of USD 5 million or the equivalent thereof in other currencies, shall apply.
- (ii) Latina Offshore Limited having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in paragraph (i) above.
- (iii) Latina Offshore Limited admits inability to pay its debts as they fall due or becomes subject to or enters a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than solvent liquidation or reorganization or ceases to carry out business.

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

The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document, including any other contractual and non-contractual claims, that are derived therefrom or in connection therewith.

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

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

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

- 15.4 In the event that the Bond Trustee pursuant to the terms of Clauses 15.2 or 15.3 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses. The claim derived from the Outstanding Bonds due for payment as a result of an Event of Default shall be calculated at the prices set out in Clause 10.2.

16 **Bondholders' Meeting**

16.1 *Authority of the Bondholders' Meeting*

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

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

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

16.2 *Procedural rules for Bondholders' meetings*

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

- (i) the Issuer;
- (ii) Bondholders representing at least 1/10 of the Voting Bonds;
- (iii) the Exchange, if the Bonds are listed; or
- (iv) the Bond Trustee.

- 16.2.2 The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.

- 16.2.3 If the Bond Trustee has not summoned a Bondholders' Meeting within ten (10) Business Days after having received a valid request, then the requesting party may summons the Bondholders' Meeting itself.

- 16.2.4 The summons to a Bondholders' Meeting shall be dispatched no later than five (5) Business Days prior to the date of the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders

registered in the Securities Depository at the time of distribution. The Exchange shall also be informed if the Bonds are listed.

- 16.2.5 The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- 16.2.6 The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting, by serving notice to it to such effect.
- 16.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.
- 16.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.
- 16.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the numbers of Bondholders and Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 16.2.10 The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- 16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

16.3 *Resolutions passed at Bondholders' Meetings*

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

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

- 16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 16.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- 16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in Clause 16.3.5.
- 16.3.5 A majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of this Bond Agreement.
- 16.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.
- 16.3.8 The Issuer, the Bondholders and the Exchange (provided that the Bonds are listed) shall be notified of resolutions passed at the Bondholders' Meeting.
- 16.4 *Repeated Bondholders' Meeting*
- 16.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.
- 16.4.2 The procedures and resolutions as set out in 16.2 and 16.3 above also apply for a repeated Bondholders' meeting, however, a valid resolution may be passed at a repeated Bondholders' Meeting even though less than half (1/2) of the Voting Bonds are represented.
- 16.5 *Written Resolution*
- 16.5.1 Subject to the provisions in this Bond Agreement, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 16.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- 16.5.2 The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only.
- 16.5.3 The summons for the Written Resolution shall be sent to the Bondholders through the VPS and published at the Bond Trustee's web-site, or other relevant electronic platform or via press release issued by the Bond Trustee.
- 16.5.4 The provisions set out in Clause 16.1 (*Authority of the Bondholders' Meeting*), Clause 16.2 (*Procedural rules for Bondholders' meetings*), Clause 16.3 (*Resolutions passed at*

Bondholders' Meetings) and Clause 16.4 (*Repeated Bondholders' Meeting*) shall apply mutatis mutandis to a Written Resolution, except that:

- (i) the provisions set out in Clauses 16.2.8, 16.2.10, 16.2.11;
- (ii) provisions which are otherwise in conflict with the requirements of this Clause 16.5 (*Written Resolutions*)

shall not apply to a procedure undertaken pursuant to this Clause 16.5.

16.5.5 The summons for a Written Resolution shall include:

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

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

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

16.5.8 The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

16.5.9 If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the total number of votes casted when the quorum and majority requirements set out in Clause 16.3 (*Resolutions passed at Bondholders' Meeting*) and Clause 16.4 (*Repeated Bondholders' Meeting*) shall be calculated.

17 **The Bond Trustee**

17.1 *The role and authority of the Bond Trustee*

17.1.1 The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions

and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set out in this Bond Agreement.

- 17.1.2 The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders' Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.
- 17.1.3 The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.
- 17.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 17.1.3 provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five (5) Business Days following the dispatch of such notification.
- 17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.
- 17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 17.1.7 The Issuer, the Bondholders and the Exchange (provided that the Bonds are listed) shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.
- 17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.
- 17.1.9 The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.
- 17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.
- 17.2 *Liability and indemnity*
- 17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its

functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.

17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.

17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.3(i) or 16.2.1 (ii), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.

17.3 *Change of Bond Trustee*

17.3.1 Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 16. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.

17.3.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 14, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

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

17.4 *Appointment of Security Agent*

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

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

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

17.4.2 The functions, rights and obligations of the Security Agent may be determined by a Security Agent agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require the Issuer and any other parties to any Security Document to sign as a party, or, at the discretion of the Bond

Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters.

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

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

18 **Miscellaneous**

18.1 *The community of Bondholders*

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

- (i) the Bondholders are bound by the terms of this Bond Agreement;
- (ii) the Bond Trustee has power and authority to act on behalf of, and/or represent; the Bondholders, in all matters, included but not limited to taking any legal or other action, including enforcement of the Bond Issue and/or any Security, opening of bankruptcy or other insolvency proceedings;
- (iii) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and
- (iv) this Bond Agreement establishes a community between Bondholders meaning that:
 - (i) the Bonds rank *pari passu* between each other;
 - (ii) the Bondholders may not, based on this Bond Agreement, act directly towards, and may not themselves institute legal proceedings against, the Issuer, guarantors or any other third party based on claims derived from the Finance Documents, including but not limited to recover the Bonds, enforcing any Security Interest or pursuing claims against any party as a substitute for damages to the interests under the Finance Documents, regardless of claims being pursued on a contractual or non-contractual basis, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;
 - (iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;
 - (iv) the Bondholders may not cancel the Bondholders' community; and
 - (v) the individual Bondholder may not resign from the Bondholders' community.

18.2 *Bond Defeasance*

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

- (i) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee, or other security accepted by the Bond Trustee, (the "**Defeasance Security**") in such amounts as will be sufficient for the payment of principal (including if applicable premium payable upon exercise of a Call Option) and interest on the Outstanding Bonds to Maturity Date (or upon an exercise of a Call Option plus applicable premium) or any other amount agreed between the Parties;
- (ii) the Issuer shall have delivered to the Bond Trustee a duly signed certificate that the Defeasance Security was not made by the Issuer with the intent of preferring the Bondholders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and
- (iii) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Bond Defeasance including any statements regarding the perfection and enforceability, rights against other creditors (including any hardening period) and other issues regarding the Defeasance Security.

18.2.2 Upon the exercise by the Issuer of the Bond Defeasance:

- (i) the Issuer shall be released from the obligations under all provisions in Clause 13, except Clauses 13.2.2(i), (iv), (viii), (~~ix~~) and (~~xiii~~), or as otherwise agreed;
- (ii) the Issuer shall not (and shall ensure that all Group Companies shall not) take any actions that may cause the value of the Defeasance Security to be reduced, and shall at the request of the Bond Trustee execute, such further actions as the Bond Trustee may reasonably require;
- (iii) any Guarantor(s) shall be discharged from their obligations under the Guarantee(s), and the Guarantee(s) shall cease to have any legal effect, or as otherwise agreed;
- (iv) any Security other than the Defeasance Security shall be discharged; and
- (v) all other provisions of this Bond Agreement (except (a) – (c) above) shall remain fully in force without any modifications, or as otherwise agreed.

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

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

18.2.4 if the Bonds are secured, the Defeasance Security shall be considered as a replacement of the Security established prior to the Defeasance Security.

18.3 *Limitation of claims*

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

18.4 *Access to information*

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

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

18.5 *Amendments*

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

18.6 *Notices, contact information*

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

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

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

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

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

18.6.4 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.

18.6.5 When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):

- (i) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.
- (ii) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.
- (iii) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.

18.7 *Dispute resolution and legal venue*

18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall be governed by Norwegian law.

18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and the Issuer, shall, subject to paragraph c) below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.

18.7.3 Clause 18.7.2 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

18.8 *Process Agent*

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

Attachment 1**COMPLIANCE CERTIFICATE**

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

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

[date]

Dear Sirs,

**10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue
2014/~~2016~~2020 with step up - ISIN NO 001071521.2**

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

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

With reference to Clause 13.2.2 we hereby certify that:

1. all information contained herein is true and accurate and there has been no change which would have a Material Adverse Effect on the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you;
2. the covenants set out in Clause 13 are satisfied;
3. all relevant Security is established in accordance with the Bond Agreement; and
4. in accordance with Clause 13.4, the Debt Level as of [date] is XX;

Copies of the latest consolidated [Financial Statements] / [Interim Accounts] are enclosed.

Yours faithfully,

Latina Offshore Holding Limited

Name of authorized person

Enclosure: [copy of any written documentation]

~~Attachment 2~~ Attachment 2

~~EXCESS CASH FLOW NOTICE~~

FORM OF RELEASE REQUEST

[The form shall be adjusted per Clause 13.9.2 if Employment Contract with Rigco]

To: DNB Bank ASA

Attn: [Include name]

Sent by e-mail to: [Include e-mail] with copy to []

Copy: Nordic Trustee AS

P.O. Box 1470 Vika

N-0116 Oslo, Norway

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

[Place], [Date]

Dear Sirs,

Release request and payment instruction

We refer to Clause 13.9.1 (Application of Earnings – Employment Contract with the Parent) in the Bond Agreement governing the 10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/2020 with step up. Upon release confirmation by Nordic Trustee AS, we hereby irrevocably and unconditionally instruct you to execute the payment transactions in accordance with Appendix 1.

Please forward a copy demonstrating completion of the transaction to [name and e-mail] with a copy to mail@nordictrustee.com.

Yours faithfully,

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

Name of authorised person

Appendix 1
Release Request

Modular 01

- 1.** From: Account number: [account number] ("Parent Modular Earnings Account")
By: Constructora y Perforadora Latina S.A. de C.V
USD [•]
- To: Account number: [operating expense account number] ("Parent Operating Expense Account")
- Holder: Constructora y Perforadora Latina S.A. de C.V
Bank: BBVA BANCOMER
Text: Deductible Operating Expenses, Deductible SG&A Costs, any Deductible Withholding Tax, the Implementation Costs and any Deductible Cost of Receivables Financing as per Clause 13.9.1(i) of the Bond Agreement
- 2.** From: Account number: [account number] ("Parent Modular Earnings Account")
By: Constructora y Perforadora Latina S.A. de C.V
USD [•]
- To: Account number: [account number] ("Rigco Earnings Account")
- Holder: Latina Modular 01 Limited
Bank: DNB Bank ASA
Text: The Deductible Capital Expenditure and the Deductible Intercompany Lease Rate as per Clause 13.9.1(ii) of the Bond Agreement
- 3.** From: Account number: [account number] ("Rigco Earnings Account")
By: Latina Modular 01 Limited
USD [•]
- To: Account number: [account number] ("Interest and Amortization Reserve Account")
- Holder: Latina Offshore Holding Limited
Bank: DNB Bank ASA
Text: Intercompany Loan repayment equal to the Deductible Intercompany Lease Rate as per Clause 13.9.1(iii) of the Bond Agreement
- [4.*]** From: Account number: [account number] ("Rigco Earnings Account")
By: Latina Modular 01 Limited
USD [•]
- To: Account number: [Mexican account number]
- Holder: Latina Modular 01 Limited
Bank: BBVA BANCOMER
Text: Release of documented and accrued Capital Expenditure per Clause 13.9.4 of the Bond Agreement]

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

Attachment 3FORM OF INCOME AND RELEASE STATEMENT

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

~~Fax: + 47 22 87 94 10~~

~~E-mail: mail@trustee.no~~ Sent by e-mail to: [Include e-mail] with copy to mail@nordictrustee.com

_____ [date]

Dear Sirs,

10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/~~2016~~2020 with step ~~up~~ ISIN ~~NO~~ ~~001071521.2~~

We refer to the Bond Agreement ~~for the abovementioned Bond Issue made~~ between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer. ~~This letter constitutes the Excess Cash Flow Notice for the period [PERIOD].~~ Capitalised terms used herein shall have the same meaning as in the Bond Agreement. This letter constitutes an Income and Release Statement pursuant to Clause 13.2.2 (iv) of the Bond Agreement as further detailed in Appendix 1 to this letter.

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

- transfer from the Parent Modular Earnings Account to the Parent Operating Expense Account, Deductible Operating Expenses, Deductible SG&A Costs, [Deductible Withholding Tax], [Implementation Costs] and [Deductible Cost of Receivables Financing] for the Rig;
- transfer from the Parent Modular Earnings Account to the Rigco Earnings Account, Deductible Capital Expenditures and Deductible Intercompany Lease Rate for the Rig; and

~~With reference to Clause 10.3.2 we hereby confirm that:~~

- transfer from the Rigco Earnings Account to the Interest and Amortization Reserve Account and amount equal to the Deductible Intercompany Lease Rate for the Rig.

~~(i) the Excess Cash Flow generated in [PERIOD] was USD [] which is payable to the Bondholders in accordance with the terms of the Bond Agreement and;~~

~~(ii) the Excess Cash Flow has been calculated as follows:~~ Following finalization of the above releases, the balance on the Interest and Amortization Reserve Account will be as follows:

	[PERIOD-1]	[PERIOD-2]	[PERIOD-3/4/5/6]	[AGGREGATE]

	[PERIOD-1]	[PERIOD-2]	[PERIOD-3/4/5/6]	[AGGREGATE]
+ Revenue/factoring-proceeds				
- Operating expenses				
- SG&A				
- Capital expenditures				
- Taxes (paid or accrued)				
- Factoring costs				
- Next interest				
- Next amortisation				
— Collection of any increase in the amortization payment to be paid in accordance with Clause 10.1.2				
— Prior Relevant Deductions				
— Next Relevant Deductions				
= Excess Cash Flow				

~~(iii) — the calculation of the Excess Cash Flow complies with the terms of the Bond Agreement and that the costs deducted do not exceed the Relevant Deductions under the Bond Agreement.~~

~~The payment of Excess Cash Flow (if any) to the Bondholders shall be [—] and such payment shall be made on [insert date not later than three (3) Business Days following the date of this notice].~~

<u>Balance Interest and Amortization Reserve</u> <u>Account prior to releases</u>	<u>[Amount]</u>
<u>Balance Interest and Amortization Reserve</u> <u>Account after releases</u>	<u>[Amount]</u>

Yours faithfully,

Latina Offshore Holding Limited

Name of ~~authorized~~ authorised person

Enclosure: [copy of any written documentation]

APPENDIX 1

To the Income and Release Statement

Attachment 3
Modular 01

RELEASE REQUEST

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

Deductible: Amount deductible and subject to release in accordance with Clause 13.9.1

CURRENT-RELEVANT-DEDUCTIONS	Budget-[PERIOD]	Amounts-previously-released-[PERIOD]	Maximum-amount-available-for-release	Release-requested
Operating expenses	USD-[24,000*[days]]	USD []	USD []	USD []
SG&A	USD-[3,000*[days]]	USD []	USD []	USD []
Taxes (paid or accrued)	N/A	USD []	USD []	USD []
Factoring costs	N/A	USD []	USD []	USD []
Sum		USD []	USD []	USD []
NEXT RELEVANT-DEDUCTIONS	Budget-[PERIOD]	Amounts-previously-released-[PERIOD]	Maximum-amount-available-for-release	Release-requested
Operating expenses	USD-[24,000*[days]]	USD []	USD []	USD []
SG&A	USD-[3,000*[days]]	USD []	USD []	USD []
Taxes (paid or accrued)	N/A	USD []	USD []	USD []
Factoring costs	N/A	USD []	USD []	USD []
Sum		USD []	USD []	USD []
PRIOR RELEVANT-DEDUCTIONS	Maximum-amount-available-for-release	Release-requested	Maximum-amount-available-for-release	Release-requested
Operating expenses	USD-[24,000*[days]]	USD []	USD []	USD []

SG&A	USD- [3,000*[days]]	USD [-]	USD [-]	USD [-]
Taxes (paid or accrued)	N/A	USD [-]	USD [-]	USD [-]
Factoring costs	N/A	USD [-]	USD [-]	USD [-]
Sum		USD [-]	USD [-]	USD [-]
	Budget	Amounts-released YTD	Maximum-amount-available for-release	Release-requested
Capital expenditures	USD 600,000	USD [-]	USD [-]	USD [-]
Total:	USD [-]			

<u>Income</u>	<u>Deferred From last period</u>	<u>Accrued Reporting Period</u>	<u>Received Reporting Period</u>	<u>Deferred to next period</u>
<u>Employment Contract income</u>				
Rate pr. day:	[]	[]	[]	[]
No. of Days:	[]	[]	[]	[]
TOTAL OPERATIONAL INCOME	[]	[]	[]	[Deferred + Accrued - Received]
<u>Cost of Receivables Financing</u>	[]	[]	[]	[]
<u>Interest income</u>	[]	[]	[]	[]
TOTAL NET INCOME	[]	[]	[]	[Deferred + Accrued - Received]
<u>Costs</u>	<u>Deferred From last period</u>	<u>Incurred Reporting Period</u>	<u>Deductible Reporting Period</u>	<u>Deferred to next period</u>
<u>Operating Expenses*</u>				
Rate pr. day:	24,000	24,000	24,000	[]
No. of Days:	[]	[]	[]	[]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
<u>SG&A Costs**</u>				
Rate pr. day:	3,000	3,000	3,000	[]
No. of Days:	[]	[]	[]	[]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
<u>Capital Expenditures***</u>				
Rate pr. day:	1,644	1,644	1,644	[]
No. of Days:	[]	[]	[]	[]
Total USD:	[]	[]	[]	[Deferred + Incurred - Deductible]
<u>Withholding Tax</u>				
Total USD	[]	[]	[]	[Deferred + Incurred - Deductible]
<u>Implementation Costs****</u>				
Total USD	[]	[]	[]	[Deferred + Incurred - Deductible]
TOTAL COST	[]	[]	[]	[Deferred + Incurred] - [Released]

	<u>BoP</u>		<u>Adjustments</u>	<u>EoP</u>
<u>Liquidity Buffer Drawn</u>	[]	<u>N/A</u>	<u>[Upon insufficient income]</u>	[]
<u>Liquidity Buffer Added</u>	<u>N/A</u>	<u>N/A</u>	<u>[Upon sufficient income to rebuild previous draws]</u>	[]
<u>LIQUIDITY BUFFER</u>	[]	<u>N/A</u>	[]	<u>[BoP + Adjustments]</u>
<u>INTERCOMPANY LEASE RATE/RELEASE</u>	<u>[Total Deferred Income – Total Deferred Cost]</u>	<u>[Total Accrued Income – Total Incurred Cost]</u>	<u>[Total Received Income – Total Deducted Cost – Liquidity Buffer Added]</u>	<u>[Deferred +Incurred] –[Released]</u>

Notes to Appendix 1 of the Income and Release Statement

Attachment 4

* Maximum 24,000 pr. day times number of days accrued during the Reporting Period plus any amount deferred from previous period(s).

** 3,000 pr. day.

*** Maximum 1,644 pr. day times the number of days accrued during a Reporting Period plus any amount deferred from previous period(s)

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

MONTHLY UPDATE

10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/2016 with step up – ISIN NO 001071521.2 – Monthly update for [MONTH]

1. – Payments received from Pemex and outstanding invoices under the Pemex Contract:	
– Total received from Pemex during the period	USD [–]
– Total received from factoring provider during the period	USD [–]
– Total amount outstanding in invoices under the Pemex Contract as of end of period	USD [–]
2. – Daily rate pricing of the Rig:	
– The daily rate of the Rig during the period	USD [–]
3. – Actual expenses versus Budget:	
– Actual	USD [–]
– Budget	USD [–]
– Difference	USD [–]
If Actual > Budget, amount deferred to next period	USD [–]
{If Budget > Actual, amounts paid from previous overspend brought forward}	USD [–]
Cumulative overspend remaining (if any)	USD [–]
4. – Overview of all Relevant Deductions (deducted and/or deferred):	
– Operating expenses	USD [–]
– SG&A	USD [–]
– Capital expenditures	USD [–]
– Taxes (paid or accrued)	USD [–]
– Factoring costs	USD [–]
– Next interest	USD [–]
– Next amortisation	USD [–]
– Collection of any increase in the amortization payment to be paid in accordance with Clause 10.1.2	USD [–]

–Prior Relevant Deductions	USD [–]
–Next Relevant Deductions	USD [–]
5. Total account receivables invoice and pending to invoice:	
–[Description to be included]	
6. Uptime data statistics of the Rig for the relevant month:	
–Collection from the Rig during the period	[–]%
–[Collection from of the Rig was below 100% in the period, [insert explanation]][†]	
7. Waterfall Transfers	
Cash into the Parent Modular Earning Account at the BoP	
Amount received during period into Parent Modular Earnings Account-	USD [–]
Amount paid from Parent Modular Earnings Account by way of Relevant Deductions to Parent, constituting:-	USD [–]
(a) Current Relevant Deductions	USD [–]
(b) Prior Relevant Deductions	USD [–]
(c) Next Relevant Deductions	USD [–]
Amount paid from Parent Modular Earnings Account by way of Intercompany Lease to Rigco Earnings Account-	USD [–]
Cash into the Parent Modular Earning Account at the EoP	USD [–]
Cash into the Rigco Earning Account at the BoP	USD [–]
Amount paid from Rigco Earnings Account by way of Relevant Deductions to Rigco Liquidity Account, constituting:	USD [–]
(a) Current Relevant Deductions	USD [–]
(b) Prior Relevant Deductions	USD [–]
(c) Next Relevant Deductions	USD [–]
Amount paid from Rigco Earnings Account to Issuer Liquidity Account for Rigco Transfer-	USD [–]
Cash into the Rigco Earning Account at the EoP	USD [–]

[†]~~To be included if uptime is less than 100% during a certain month-~~

Cash into the Issuer Liquidity Account at the BoP	USD [—]
Amount retained in Issuer Liquidity Account for Relevant Deductions, constituting	USD [—]
(a) Current Relevant Deductions	USD [—]
(b) Prior Relevant Deductions	USD [—]
(c) Next Relevant Deductions	USD [—]
Amount transferred from Issuer Liquidity Account to Interest Retention Account for next quarterly interest payment	USD [—]
Amount transferred from Issuer Liquidity Account to Debt Service Account for payment of amortisation on the Bonds	USD [—]
Amount transferred from Issuer Liquidity Account to Debt Service Account for payment of in accordance with Clause 10.1.2	USD [—]
Amount transferred from Issuer Liquidity Account as Excess Cash Flow to the Debt Service Account	USD [—]
If the month end is also an Excess Cash Flow Calculation Date, the amount transferred from the Debt Service Account by way of Excess Cash Flow as payment to the Bond Trustee	USD [—]
Cash into the Issuer Liquidity Account at the EoP	USD [—]
8. Prior Relevant Deductions	
Aggregate amount of Prior Relevant Deductions at the beginning of month	USD [—]
+/- changes during month	USD [—]
Aggregate amount of Prior Relevant Deductions at the end of month	USD [—]
9. Next Relevant Deductions	
Aggregate amount of Next Relevant Deductions at the beginning of month	USD [—]
+/- changes during month	USD [—]
Aggregate amount of Next Relevant Deductions at the end of month	USD [—]

Schedule 2 – 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 10.07.2019

In favour of the Proposal

Against the Proposal

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

Enclosed to this form is the complete printout from our custodian/VPS,¹ verifying our bondholding in the bond issue as of _____.

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

Place and date

Authorised signature

Return:

Nordic Trustee AS
P.O.Box 1470 Vika

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

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