

AMENDMENT AND RESTATEMENT AGREEMENT

dated 4 December 2019

to the bond agreement originally dated 9 December 2015, for the

**7.25 PER CENT NORWEGIAN AIR SHUTTLE ASA SENIOR UNSECURED BOND ISSUE
2015/2019 WITH ISIN NO 001 0753437**

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SCHEDULE 1 Conditions Precedent to the Effective Date

SCHEDULE 2 Amended and Restated Bond Agreement

THIS AMENDMENT AND RESTATEMENT AGREEMENT is dated 4 December 2019 and made between:

- (1) **NORWEGIAN AIR SHUTTLE ASA**, a public limited liability company incorporated with limited liability under the laws of Norway with business registration number 965 920 358 as issuer (the “**Issuer**”), and
- (2) **NORDIC TRUSTEE AS**, a private limited liability company incorporated under the laws of Norway with business registration number 963 342 624 as bond trustee (the “**Bond Trustee**”),

each a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS:

- (A) In a summons dated 2 September 2019, as amended by a notice dated 10 September 2019, (the “**Summons**”) the Issuer requested the Bondholders' Meeting to approve certain amendments to the Bonds issued pursuant to the Original Bond Agreement (the “**Proposal**”). On 16 September 2019 the Bondholders' Meeting approved the Proposal with the required majority.
- (B) The Parties have entered into this Agreement in order to amend the Original Bond Agreement (as defined below) in accordance with the Proposal.

NOW THEREFORE, it is hereby agreed as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

“**Agreement**” means this amendment and restatement agreement.

“**Amended and Restated Bond Agreement**” means the Original Bond Agreement, as amended and restated by this Agreement in the form set out in Schedule 2 (*Amended and Restated Bond Agreement*).

“**Effective Date**” means the date on which a notification is given by the Bond Trustee in accordance with Clause 2 (*Conditions Precedent*) of this Agreement.

“**Original Bond Agreement**” means the bond agreement dated 9 December 2015, for the bond issue with ISIN NO 001 0753437 and made between the Issuer and the Bond Trustee.

1.2 Incorporation of defined terms

- (a) Unless a contrary indication appears, a term defined in Clause 1.1 (*Definitions*) of the Original Bond Agreement and/or the Amended and Restated Bond Agreement (as the case may be) has the same meaning in this Agreement.
- (b) The principles of construction set out in Clause 1.2 (*Construction*) of the Original Bond Agreement and/or the Amended and Restated Bond Agreement (as the case may be) shall have effect as if set out in this Agreement.

1.3 Designation

This Agreement shall constitute a Finance Document for the purposes of the Amended and Restated Bond Agreement.

2. CONDITIONS PRECEDENT

The provisions of Clause 4 (*Amendment and Restatement*) shall be effective from the time the Bond Trustee has received and/or waived all the documents and other evidence listed in Schedule 1 (*Conditions Precedent to the Effective Date*) of this Agreement, each in a form and substance satisfactory to the Bond Trustee, no later than 11 December 2019 (the “**Longstop Date**”). The Bond Trustee shall notify the Issuer promptly upon so being satisfied.

3. REPRESENTATIONS

The representations and warranties set out in Clause 7 (*Representations and warranties*) of the Original Bond Agreement are deemed to be made by the Issuer (by reference to the facts and circumstances then existing) on:

- (a) the date of this Agreement; and
- (b) the Effective Date,

and references to “this Bond Agreement” therein shall be construed as references to this Agreement and to the Original Bond Agreement, and, on the Effective Date, to the Amended and Restated Bond Agreement.

4. AMENDMENT AND RESTATEMENT

4.1 Amendment and restatement

- (a) With effect from the Effective Date, the Original Bond Agreement shall be amended and restated as set out in Schedule 2 (*Amended and Restated Bond Agreement*).
- (b) If the Effective Date has not occurred on or before the Longstop Date, the Original Bond Agreement will not be amended by this Agreement and shall remain in full force and effect in the form of the Original Bond Agreement.

4.2 Continuing obligations

The provisions of the Original Bond Agreement and the other Finance Documents shall, save as amended and restated by this Agreement, continue in full force and effect. With effect from the Effective Date, reference to the “Bond Agreement” in the Amended and Restated Bond Agreement and any other Finance Document shall be construed as reference to the Amended and Restated Bond Agreement.

5. GOVERNING LAW AND JURISDICTION

- (a) This Agreement and all disputes arising out of, or in connection with this Agreement between the Bond Trustee, the Bondholders and the Issuer, shall be governed by Norwegian law.
- (b) All disputes arising out of, or in connection with this 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.


- (c) Clause 5(b) 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.

* * *

SIGNATORIES:

The Issuer

Norwegian Air Shuttle ASA

X 

By: _____
Name: **GEIR KARLSEU**

Title: **CEO**

The Bond Trustee

Nordic Trustee AS

By: _____

Name:

Title:

SIGNATORIES:

The Issuer

Norwegian Air Shuttle ASA

By: _____

Name:

Title:

The Bond Trustee

Nordic Trustee AS

By:  _____

Name:

Title:

Jørgen Andersen
Authorised signatory

SCHEDULE 1
CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

1. Receipt by the Bond Trustee of the following, in form and substance reasonably satisfactory to it:
 - (a) any amendments to any Finance Document (as defined in the Bond Agreement), in each case duly executed by all parties thereto, which the Bond Trustee in its sole discretion finds necessary in relation to the amendments set out in the Summons, to be signed by the Bond Trustee and the Issuer (as well as any other person being a party to any document creating a security interest in favour of the Bond Trustee or the Security Agent, if required by the Bond Trustee);
 - (b) any legal opinions as may reasonably be required by the Bond Trustee in relation to due execution by the parties to the Amended and Restated Bond Agreement of any documentation in relation to the amendments proposed herein;
 - (c) all necessary corporate resolutions of the Issuer (and any other parties as required by the Bond Trustee under item (a) above) having been duly made and delivered to the Bond Trustee, together with such directors'/officers' certificate, in each case in such form and substance as the Bond Trustee may reasonably require;
 - (d) confirmation in writing from the Issuer that, after giving effect to the amendments set out in the Amended and Restated Bond Agreement, no Event of Default will be outstanding or is likely to occur as a result of such amendments, including supporting documentation as reasonably required by the Bond Trustee in relation thereto;
 - (e) the Security Documents, as defined in the Amended and Restated Bond Agreement, duly executed and the security perfected (subject to applicable hardening periods);
 - (f) evidence that the Slot Owner owns in aggregate Slots on London Gatwick Airport in respect of which an independent third party valuation (from no earlier than 31 July 2019) of at least USD 380,000,000 has been obtained, it being agreed that such evidence shall be, in respect of each such Slot:
 - (A) a copy of the relevant slot transfer agreement; and
 - (B) notification to ACL of the transfer of such Slot to the Slot Owner;
 - (g) a copy of each slot usage agreement between the Slot Owner and any other members of the Group;
 - (h) with respect to any person who is of material importance to maintenance of the Air Operator Certificate and/or Operating Licence of the Slot Owner (“Key Personnel”), a certificate from the Issuer including an overview of all Key Personnel and certifying that:
 - (A) no employment agreement between the Slot Owner and Key Personnel, and

(B) no Intragroup Services Agreement relating to Key Personnel

provides for termination on less than 3 months' notice;

- (i) a copy of the lease agreement entered into with respect to the lease by the Slot Owner of at least one aircraft;
 - (j) copies of all consents and licences required to maintain the Slot Owner's status as an "air carrier" pursuant to applicable law;
 - (k) a copy of any Intragroup Services Agreement;
2. Confirmation from the Bond Trustee that the conditions precedent to be delivered for the Effective Date (as defined in the amendment and restatement agreement dated [●] 2019 (the "NAS08 Agreement") relating to the bond agreement originally dated 7 February 2017 for the bond issue with ISIN NO 001 0783459 and made between the Issuer and the Bond Trustee) (save for the CP in item 2 of Schedule 1 therein) have been fulfilled or waived in accordance with clause 2 of the NAS08 Agreement.
3. The amendment fee having been paid no later than the date falling 10 business days after the date on which the amendment had been approved in both NAS07 and NAS08.

SCHEDULE 2
AMENDED AND RESTATED BOND AGREEMENT

BOND AGREEMENT

dated 04 December 2019

for

Norwegian Air Shuttle ASA
(Issuer)

and

Nordic Trustee AS
(Bond Trustee)

on behalf of

the Bondholders

in the bond issue

7.25 per cent Norwegian Air Shuttle ASA Senior Unsecured Bond Issue 2015/2019

This agreement is an amendment and restatement of the bond agreement originally dated 9 December 2015 for the 7.25 per cent Norwegian Air Shuttle ASA Senior Unsecured Bond Issue 2015/2019 with ISIN NO 001 0753437

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SCHEDULE 1 Compliance Certificate

This agreement is originally entered into on 9 December 2015, as amended and restated by an amendment and restatement agreement dated 4 December 2019, and made between

- (1) Norwegian Air Shuttle ASA, a company existing under the laws of Norway with registration number 965 920 358, 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**”).

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.

“**ACL**” means Airport Coordination Limited, a private company limited by guarantee incorporated in England (under registered number 02603583), whose registered office is at Viewpoint, 240 London Road, Staines-Upon-Thames, Middlesex, England, TW18 4JT, or any successor or replacement entity, in each case being the entity appointed for the time being pursuant to the Slot Regulation as coordinator for, inter alia, London Gatwick Airport and having the sole responsibility for the allocation of Slots at London Gatwick Airport.

“**air carrier**” shall have the meaning given to such term in the Slot Regulation.

“**Air Operator Certificate**” means an air operator certificate for the purposes of, and issued by a competent authority in accordance with, Commission Regulation (EU) No 965/2012.

“**Airleasing Transactions**” means customary airleasing transactions in accordance with the established practice of the Issuer or the Group.

“**Arctic Aviation**” means Arctic Aviation Assets Limited a company existing under the laws of Ireland with business registration number 531191.

“**Assignment of Intercompany Claims**” means the pledge or assignment (or such similar security under any relevant jurisdiction) of Intercompany Claims (to the extent legally permissible).

“**Attachment**” means each of the attachments to this Bond Agreement.

“**Bond Agreement**” means this bond agreement, including the Attachments, each as amended from time to time.

“**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.

“**Book Equity**” means the aggregate book value (on a consolidated basis) of the Group's total equity in accordance with GAAP, as set out in the then most recent audited consolidated annual financial statements (or, if more recent, the latest Interim Accounts) of the Issuer.

“**Business Day**” means any day on which commercial banks in Norway are open for general business, and can settle foreign currency transactions in Norway and also TARGET (the Trans-European Automated Real-time Gross settlement Express Transfer System) is open.

“**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 given to such term in Clause 10.3.1.

“**Change of Control Event**” means if any person or group (as such term is defined in the Norwegian Limited Liability Companies Act § 1-3), in aggregate becomes the owner of 50.00% or more of the outstanding shares and/or voting capital of the Issuer.

“**De-Listing Event**” means an event where the Issuer's shares are de-listed from Oslo Børs.

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

- (a) a majority of the voting rights in that other person; or
- (b) 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, such voting rights or election rights held by the parent company of the relevant person and the parent company's Subsidiaries shall be included.

“**Defeasance Security**” shall have the meaning given to it in Clause 18.2.1(a).

“**Distribution**” shall have the meaning given to it in Clause 13.3(i).

“**EU Licencing Regulation**” means Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community.

“**EUR**” means Euro, being the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

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

“Excess Slot Disposal Proceeds” means any cash proceeds received by the Slot Owner arising from the sale, trade, swap or other disposal of its Slots, excluding any such proceeds received prior to occurrence of the Slot Disposal Trigger Event (such excluded proceeds being limited to USD 35,000,000), after deducting without double counting:

- (a) any reasonable expenses (including legal fees, agents' commissions and auditors' fees) incurred by the Group directly in connection with any such disposal of Slots;
- (b) any tax incurred and required to be paid or reserved for by any Group Company with respect to any such disposal of Slots; and
- (c) any deferred consideration (but only until received).

“Excess Slot Disposal Proceeds Account” means an account or a series of accounts of the Slot Owner, held with one or more banks and in such currencies as the Slot Owner sees fit, irrevocably pledged and blocked pursuant to the Excess Slot Disposal Proceeds Account Pledge.

“Excess Slot Disposal Proceeds Account Pledge” means the first priority account pledge over the Excess Slot Disposal Proceeds Account, made in favour of the Bond Trustee for the benefit of the Bondholders and the NAS08 Bondholders (*pari passu* and *pro rata* between them).

“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.

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

“Finance Documents” means:

- (a) this Bond Agreement;
- (b) the agreement between the Bond Trustee and the Issuer referred to in Clause 14.2;
- (c) the Security Documents (including any notices, acknowledgements and any other ancillary documentation relating to it);
- (d) any documents executed in relation to the granting of any Security Interest to the Bond Trustee or the Security Agent; and
- (e) any other document the Issuer and the Bond Trustee agree in writing to be a Finance Document.

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;

- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account); and
- (h) without double counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (g) above.

“Financial Statements” means the audited annual financial statements of the Issuer for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and report from the Board of Directors.

“Fixed Rate” shall have the meaning ascribed to such term in Clause 9.1.

“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”**).

“Intercompany Claim” means any amount payable (whether actual or contingent and howsoever arising) by the Slot Owner towards any other Group Company in excess of USD 1,000,000, excluding any such amounts arising:

- (a) in relation to intra-group aircraft leasing; or
- (b) in the ordinary course of business on payment terms of no more than 30 (thirty) days.

“Interest Payment Date” means 11 June and 11 December each year up to and including the Maturity Date. Any adjustment will be made according to the Business Day Convention.

“Interim Accounts” means the unaudited financial statements of the Issuer for the relevant interim period, as applicable, drawn up according to GAAP.

“Intragroup Services Agreements” means any agreement between the Slot Owner and another Group Company for the intragroup sale, lease or transfer of goods or services

(including, for the avoidance of doubt, provision of air operations services, crew or other personnel or infrastructure, intragroup Slot Usage Arrangements, leasing of aircraft and licensing of intangible assets, but excluding any intragroup financing arrangement).

“**ISIN**” means International Securities Identification Number - the identification number of the Bond Issue.

“**Issue Date**” means 11 December 2015.

“**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.

“**Liquidity**” means the aggregate book value of the Group’s freely available and unrestricted cash and cash equivalents (on a consolidated basis).

“**Manager**” means the managers for the Bond Issue, being Danske Bank Markets, Norwegian Branch, DNB Markets, a part of DNB Bank ASA and Skandinaviska Enskilda Banken AB (publ) (“SEB”).

“**Material Adverse Effect**” means a material adverse effect on: (a) the Issuer’s ability to perform and comply with its obligations under any of the Finance Documents; or (b) the validity or enforceability of any of the Finance Documents.

“**Material Disposal Event**” means an event where the Issuer no longer owns (directly or indirectly) more than 50% of the shares in Arctic Aviation.

“**Maturity Date**” means 11 November 2021. Any adjustment will be made according to the Business Day Convention.

“**NAN**” means Norwegian Air Norway AS, a company existing under the laws of Norway with registration number 912 084 949.

“**NAS08 Bondholders**” means the holders from time to time of the NAS08 Bonds.

“**NAS08 Bonds**” means the senior unsecured bonds issued under the NAS08 Bond Issue.

“**NAS08 Bond Agreement**” means the bond agreement in respect of the NAS08 Bond Issue dated 7 February 2017 (as amended).

“**NAS08 Bond Issue**” means the SEK 963,500,000 Norwegian Air Shuttle ASA Senior Unsecured Bond Issue 2017/2020 with ISIN NO 001 0783459.

“**NAS08 Finance Documents**” shall have the meaning given to the term “Finance Documents” in the NAS08 Bond Agreement.

“**NOK**” means Norwegian kroner, being the lawful currency of Norway.

“**Operating Licence**” shall have the meaning given to such term in the EU Licencing Regulation.

“**Outstanding Bonds**” means the Bonds not redeemed or otherwise discharged.

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

“**Paying Agent**” means the 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.

“**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, unless any other legal entity is appointed as collateral agent pursuant to Clause 17.4.

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

“**Security Interest**” means any Security created (or to be created) in favour of the Bond Trustee or the Security Agent to secure the obligations of the Issuer under any Finance Document, including but not limited to the following first priority security:

- (a) the Share Charge;
- (b) the Assignment of Intercompany Claims; and
- (c) the Excess Slot Disposal Proceeds Account Pledge.

“**Share Charge**” means the share charge granted by the owner of 100% (one hundred per cent.) of the shares in the Slot Owner over all such shares, together with, *inter alia*, letters of resignation (effective upon an Event of Default for which the Bond Trustee has issued a notice) (if legally possible) from all board members as well as a covenant to obtain letters of resignation from future board members, if relevant under applicable law.

“**Slot**” shall have the meaning given to such term in the Slot Regulation.

“**Slot Disposal Trigger Event**” means the time at which the Slot Owner has received cash proceeds in excess of USD 35,000,000 in aggregate arising from the sale, trade, swap or other disposal of its Slots, whether in one or more transactions after deducting without double counting:

- (a) any reasonable expenses (including legal fees, agents' commissions and auditors' fees) incurred by the Group directly in connection with any such disposal of Slots;
- (b) any tax incurred and required to be paid or reserved for by any Group Company with respect to any such disposal of Slots; and
- (c) any deferred consideration (but only until received).

“Slot Owner” means a limited liability company incorporated in Norway (or such other jurisdiction approved by the Bond Trustee) directly or indirectly owned by the Issuer which from time to time holds all the Slots of the Group at London Gatwick Airport and qualifies as an air carrier, the first Slot Owner being NAN and thereafter the Slot Owner being any Group Company designated as the Slot Owner from time to time by the Issuer and the Bond Trustee together (subject to conditions precedent as reasonably required by the Bond Trustee).

“Slot Owner Liquidity” means, with respect to the Slot Owner, the aggregate book value of freely available and unencumbered, except as encumbered by security provided hereunder, cash and cash equivalents.

“Slot Pool” shall have the meaning given to such term in the latest edition from time to time of the Worldwide Slot Guidelines published by IATA.

“Slot Regulation” means Council Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports, as amended by Regulation (EC) No 894/2002 of 27 May 2002, Regulation (EC) No 1554/2003 of 22 July 2003, Regulation (EC) No 793/2004 of 21 April 2004 and Regulation (EC) No 545/2009 of 18 June 2009 and as further amended from time to time.

“Slot Usage Arrangement” means any arrangement providing for the use of Slots held by the Slot Owner by any other Group Company or third party.

“Slot Valuation Report” means an independent third-party valuation report in respect of the Slots held by the Slot Owner, delivered by the Issuer to the Bond Trustee.

“Stamdata” means the web site www.stamdata.no, maintained by the Bond Trustee.

“Subsidiary” means an entity over which another entity or person has a determining influence due to (i) direct and indirect ownership of shares or other ownership interests, and/or (ii) agreement, understanding or other arrangement. An entity shall always be considered to be the subsidiary of another entity or person if such entity or person has such number of shares or ownership interests so as to represent the majority of the votes in the entity, or has the right to vote in or vote out a majority of the directors in the entity.

“Tap Issue” means subsequent issues after Issue Date up to the maximum amount described in Clause 2.2.1.

“Temporary Operating Licence” means a temporary licence issued by the relevant competent licensing authority pursuant to Article 9(1) of the EU Licencing Regulation to a “Community air carrier” as defined in Article 2(e) of the Slot Regulation.

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

“Voting Bonds” means the Outstanding Bonds less the Issuer’s Bonds.

1.2 Construction

In this Bond Agreement, unless the context otherwise requires:

- (a) headings are for ease of reference only;

- (b) words denoting the singular number shall include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of this Bond Agreement;
- (d) references to a time is a reference to Oslo time;
- (e) 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;
- (f) an Event of Default is “**continuing**” if it has not been remedied or waived;
- (g) 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); and
- (h) at any time after the United Kingdom has ceased to be a member of the European Union, all references to any particular institution of the European Union shall be deemed to refer to the equivalent institution or institutions in the United Kingdom which perform a similar function under English Law, and all references to the Slot Regulation or any other regulation, directive or other provision of law derived from the European Union shall be deemed to refer to the equivalent law in the United Kingdom which performs a similar function under English law.

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

2.2.1 The Issuer has resolved to issue a series of Bonds in the maximum amount of EUR 250,000,000 (EUR two hundred and fifty million). The Bond Issue may comprise one or more tranches issued on different issue dates. The first tranche will be in the amount of EUR 125,000,000 (EUR one hundred and twenty five million).

The Face Value is EUR 100,000. The Bonds shall rank *pari passu* between themselves.

The Bond Issue will be described as “7.25 per cent Norwegian Air Shuttle ASA Senior Unsecured Bond Issue 2015/2019”.

The ISIN of the Bond Issue will be NO 001 0753437.

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

- 2.2.2 The Bond Issue is a Tap Issue under which subsequent issues may take place after Issue Date up to the maximum amount described in Clause 2.2.1, running from the Issue Date and to be closed no later than 5 Business Days prior to the Maturity Date.

All Bonds (including those issued pursuant to the first tranche and any Tap Issues) will be subject to identical terms in all respects. The rights and obligations of all parties to the Bond Agreement also apply for later Tap Issues. The Bond Trustee will on the issuing of additional Tap Issues make an addendum to the Bond Agreement regulating the conditions for such Tap Issue.

2.3 Purpose and utilization

The net proceeds of the Bonds shall be employed for general corporate purposes in support of the growth of the Group.

3. LISTING

- 3.1 The Issuer shall apply for listing of the Bonds on Oslo Børs.
- 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 prior to disbursement 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

- 6.1 Disbursement of the net proceeds of the first tranche of the Bonds to the Issuer will be subject to the Bond Trustee having received the documents listed below, in form and substance satisfactory to it, at least two Business Days prior to the Issue Date:

- (a) this Bond Agreement, duly executed by all parties thereto;
 - (b) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents;
 - (c) a power of attorney from the Issuer to relevant individuals for their execution of 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 the Issuer;
 - (d) certified copies of (i) the Certificate of Incorporation or other similar official document for the Issuer, evidencing that it is validly registered and existing and (ii) the Articles of Association of the Issuer;
 - (e) the Issuer's latest Financial Statements and Interim Accounts (if any);
 - (f) confirmation from the Manager that the requirements set out in Chapter 7 of the Norwegian Securities Trading Act (implementing the EU prospectus directive (2003/71 EC) concerning prospectuses have been fulfilled;
 - (g) to the extent necessary, any public authorisations required for the Bond Issue;
 - (h) confirmation that the Bonds have been registered in the Securities Depository;
 - (i) the Bond Trustee fee agreement set out in Clause 14.2, duly executed;
 - (j) copies of any written documentation used in the marketing of the Bonds or made public by the Issuer or the Manager in connection with the Bond Issue; and
 - (k) any statements or legal opinions reasonably required by the Bond Trustee (including any capacity corporate opinions for the Issuer and opinions related to the validity, perfection and enforceability of the Finance Documents).
- 6.2 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set out in Clause 6.1.
- 6.3 Disbursement of the net proceeds from the Bonds is subject to the Bond Trustee's written notice to the Issuer, the Manager and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.
- 6.4 On the Issue Date, subject to receipt of confirmation from the Bond Trustee pursuant to Clause 6.3, the Manager shall make the net proceeds from the first tranche of the Bond Issue available to the Issuer.
- 6.5 The Issuer may issue Tap Issues provided that (i) the amount of the aggregate of (a) the Outstanding Bonds prior to such Tap Issue and (b) the requested amount for such Tap Issue shall not exceed the maximum issue amount as stated in Clause 2.2.1(ii) no Event of Default has occurred or would occur as a result of the making of such Tap Issue, (iii) the Issuer confirms that the documents earlier received by the Bond Trustee, c.f. Clause 6.1, are still valid, or provides updates of such documents to the Bond Trustee, (iv) the representations and warranties contained in this Bond Agreement remain true and correct

and are repeated by the Issuer, and (v) that such Tap Issue is in compliance with applicable laws and regulations as of the time of such Tap Issue.

7. REPRESENTATIONS AND WARRANTIES

7.1 The Issuer represents and warrants to the Bond Trustee that unless the Issuer and the Bond Trustee or the Bondholders' Meeting in writing have agreed to otherwise:

(a) Status

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

(b) 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.

(c) 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 by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

(d) 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.

(e) No Event of Default

(i) No Event of Default exists or is likely to result from the making of any drawdown under this Bond Agreement or 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

8. STATUS OF THE BONDS AND SECURITY

8.1 Ranking and priority

The Bonds shall constitute senior debt obligations of the Issuer and shall be secured on first priority basis by the Security Interests and the Bonds shall otherwise rank at least *pari passu* with all other debt 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 existing and future subordinated debt.

8.2 The Security

8.2.1 The Security Interests shall secure with first priority, the Issuer's obligations under the Finance Documents, including but not limited to any amount outstanding under this Bond Agreement to the Bond Trustee and the Bondholders, including fees, interest, premium (whether payable in relation to the exercise of the Call Option or on the Maturity Date) and expenses.

8.2.2 The Issuer shall (at its own expense) ensure that the Security Documents are duly executed by the Issuer and any other security provider in favour of the Bond Trustee or the Security Agent and, as applicable, amended in accordance with this Bond Agreement and that the Security Documents, as amended, are legally valid, perfected, enforceable (subject to applicable hardening periods) and in full force and effect from the date on which they are to be delivered or amended under the terms of this Bond Agreement throughout the tenor of the Bonds and until all amounts payable in respect of the Bonds have been fully and finally repaid or paid or as otherwise permitted pursuant to this Bond Agreement. The Issuer shall (at its own expense) execute and procure the execution of such further documentation as the Bond Trustee may reasonably require in order for the Bondholders to at all times maintain the legal validity, perfection, enforceability and priority position of the Security Interests envisaged hereunder (subject only to any restrictions imposed by applicable law and it being understood that customary limitation language will be included if so required) including, without limitation, registration of such Security Interests with the appropriate registrar or authority in all applicable jurisdictions.

8.2.3 Notwithstanding any provision of this Bond Agreement to the contrary, the Bond Trustee (on behalf of the Bondholders) hereby acknowledges that the Security Interests may secure with first priority the Issuer's obligations under the NAS08 Finance Documents, *pro rata* and *pari passu* with (and taken together with) the Issuer's obligations under the Finance Documents, and references in this Bond Agreement to "first priority" shall be construed accordingly.

8.2.4 The Security Interests will be enforceable upon the occurrence of an "Event of Default" (under and as defined the NAS08 Bond Agreement) or an Event of Default hereunder, in each case, which is continuing and for which notice has been served to the Issuer and the Security Agent may take any action in relation thereto based on instructions from the Bondholders or the holders of the NAS08 Bonds (irrespective of conflicting instructions). Without prejudice to Clauses 17.2 and 17.4, neither the Bond Trustee nor the Security Agent shall not be liable for any enforcement action taken with respect to any Security

Interests on the instructions from the Bondholders or the holders of the NAS08 Bonds, including in the event of appropriation of shares.

9. INTEREST

- 9.1 The Issuer shall pay interest on the par value of the Bonds from, and including, the Issue Date at a fixed rate of seven point twenty five per cent. (7.25%) per annum (the “**Fixed Rate**”).
- 9.2 Interest payments shall be made in arrears on the Interest Payment Dates each year, the first Interest Payment Date being 11 June 2016.
- 9.3 The relevant interest payable amount shall be calculated based on a period from, and including, the Issue Date to, but excluding, the next following applicable Interest Payment Date, and thereafter from, and including, that Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.
- 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 31 st 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)).
- 9.5 The payable interest amount per Bond for a relevant calculation period shall be calculated as follows:

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

10. MATURITY OF THE BONDS AND REDEMPTION

10.1 Maturity

The Bonds shall mature in full on the Maturity Date, and shall be repaid at 105% (one hundred and five per cent) of par.

10.2 Change of control, de-listing and certain disposals

- 10.2.1 Upon the occurrence of a Change of Control Event, a De-Listing Event or a Material Disposal 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.
- 10.2.2 The Put Option must be exercised within 60 days after the Issuer has given notification to the Bond Trustee of a Change of Control Event, a De-Listing Event or a Material Disposal Event. Such notification shall be given as soon as possible after a Change of Control Event, a De-Listing Event or a Material Disposal Event has taken place.

10.2.3 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 60 days exercise period of the Put Option.

10.2.4 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 10.2.1) and any unpaid interest accrued up to (but not including) the settlement date.

10.3 Optional Redemption

10.3.1 Subject to the provisions of this Clause 10.3, the Issuer may redeem the Bonds (in whole or in part) (the “Call Option”) at any time from and including the Issue Date to, but not including, the Maturity Date at a price equal to 105% (one hundred and five per cent) of par, plus accrued interest on the redeemed Bonds.

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

10.3.3 On the settlement date of the Call Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, 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.

10.3.4 Bonds redeemed by the Issuer in accordance with this Clause 10.3 shall be discharged against the Outstanding Bonds.

10.4 Disposal of Slots

10.4.1 From and including the time of the Slot Disposal Trigger Event, the Issuer shall procure that the Slot Owner shall:

- (a) upon receipt promptly credit the Excess Slot Disposal Proceeds Account with any Excess Slot Disposal Proceeds; and
- (b) only apply amounts standing to the credit of the Excess Slot Disposal Proceeds Account to redeem, *pro rata* between them, the Bonds and the NAS08 Bonds, at a price corresponding to the then prevailing Call Option price in respect of such Bonds or the NAS08 Bonds respectively.

10.4.2 For the avoidance of doubt and subject to Clause 10.4.1 above and Clause 13.5(f) (*Status of Slots*) below, nothing in this Agreement shall prohibit:

- (a) the disposal, transfer, lease, exchange or substitution of any Slots by the Slot Owner;
- (b) any ad hoc or operational adjustments to timing of any such Slots or the temporary return of Slots to the Slot Pool; or
- (c) any Slot Usage Arrangement

in each case in the course of reasonable management of the airline operations of the Group.

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 Business Days prior to a 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

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

11.5 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(a), cf. Clauses 15.2 - 15.4.

11.6 Partial payments

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

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

12. ISSUER'S ACQUISITION OF BONDS

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

13. COVENANTS

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, as further set out in this Clause 13.

13.2 Information Covenants

13.2.1 The Issuer shall:

- (a) 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;

- (b) 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 other than Airleasing Transactions, or change the nature of its business;
- (c) without being requested to do so, prepare Financial Statements and make them available on its website in the English language (alternatively by arranging for publication at Stamdata or, as long as the Issuer's shares or bonds are listed on Oslo Børs, via the distribution system at Oslo Børs) as soon as they become available, and not later than 120 days after the end of the financial year;
- (d) without being requested to do so, prepare Interim Accounts for such periods as required by applicable Norwegian law or by Oslo Børs Bond Rules for bond issuers (regardless of whether the Bonds have been listed or not), and make them available on its website in the English language (alternatively by arranging for publication on Stamdata or, as long as the Issuer's shares or bonds are listed on Oslo Børs, via the distribution system at Oslo Børs) as soon as they become available, and not later than 60 days after the end of the relevant interim period covered by such Interim Accounts;
- (e) at the request of the Bond Trustee, report the balance of the Issuer's Bonds;
- (f) without being requested to do so, send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (g) 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;
- (h) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond Trustee is entitled to receive such information from the Securities Depository or Paying Agent directly);
- (i) within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request; and
- (j) at the request of the Bond Trustee, provide an overview of all personnel relevant to maintenance of the Slot Owner's Air Operator Certificate and Operating Licence.

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

13.3 General Covenants

- (a) Pari passu ranking

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

(b) Mergers

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any other such Group Company with any other companies or entities not being a member of the Group if such transaction would have a Material Adverse Effect.

(c) De-mergers

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganization involving a split of the Issuer or any other such Group Company into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

(d) Continuation of business

The Issuer shall not cease to carry on its business. The Issuer shall procure that no material change is made to the general nature or scope of the business of the Group from that carried on at the date of this Bond Agreement, or as contemplated by the Bond Agreement, unless such change for any Subsidiary of the Issuer would not have a Material Adverse Effect.

(e) 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.

Airleasing Transactions shall not constitute a sale or a disposal for the purpose of this Clause 13.3(e).

(f) Arm 's length transactions

The Issuer shall not, and shall procure that no other Group Company shall, enter into any transaction with any person including, *inter alia*, any arrangement with respect to any disposal, transfer, lease, exchange or substitution of any Slots, including any Slot Usage Arrangement, except on arm's length terms and for fair market value.

(g) Corporate status

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

(h) Compliance with laws

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

(i) Dividends or other distributions

During the term of the Bonds the Issuer shall not make dividend payments, repurchase shares or make other distributions or loans to its shareholders (including any transaction with a similar effect).

Notwithstanding the above, the Issuer may repurchase shares in connection with any option or similar incentive program of the Issuer in force at any time made for the benefit of the employees and/or management and/or directors of any Group Company.

(j) Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company (other than the Slot Owner) will, incur any new unsecured debts covered by the definition of Financial Indebtedness items (a) or (c) unless the maturity date for such Financial Indebtedness falls on a date after the Maturity Date. This restriction shall not apply to (i) financing of aircraft in Arctic Aviation or any of its Subsidiaries through a short term credit facility towards any kind of financial institution; (ii) issuing of a new NOK bond issue for the main purpose of raising cash for repayment of preexisting bond issues at their later maturity; (iii) draw down of existing available credit facilities or note purchase facilities; or (iv) utilization of available tap issues under any preexisting bond issues or under this Bond Agreement.

(k) Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over:

- (i) any shares in Arctic Aviation or any other direct Subsidiary of the Issuer;
- (ii) assets secured by the Security Interest; and
- (iii) the assets of the Slot Owner (including any Slots held by it), excluding any receivables arising in relation to intra-group aircraft leasing,

except for any Security arising under the Finance Documents.

(l) No enforcement

The Issuer shall not, and shall procure that no other Group Company will, take or join any person in taking any steps (including any right of set-off) whatsoever against the Slot Owner for the purposes of obtaining payment of any amount whatsoever due from the Slot Owner to the Issuer or such other Group Company (as applicable) at any time when an Event of Default has occurred and has been notified in accordance with the provisions of Clause 15, save as required by the Bond Trustee or the Security Agent in connection with enforcement of the Security Documents.

13.4 Financial covenants

(a) Minimum Book Equity

The Issuer shall ensure that the Group, on a consolidated basis, maintains a Book Equity of minimum NOK 1,500 million.

Notwithstanding the above, in the event that the most recent audited consolidated annual financial statements or latest Interim Accounts of the Issuer (as applicable), when published, indicate a Book Equity lower than the minimum amount provided for above, such event shall not represent a failure to comply with this Clause 13.4(a) (*Minimum Book Equity*) provided that:

- (i) the Issuer has summoned a general meeting of its shareholders to resolve steps to increase its Book Equity sufficiently; and
- (ii) its Book Equity is sufficiently increased within 45 days of the publication of the relevant financial statements or Interim Accounts (as applicable).

(b) Liquidity

The Issuer shall ensure that the Group, on a consolidated basis, maintains minimum Liquidity of NOK 500 million.

The Issuer undertakes to comply with the above financial covenants at all times, such compliance to be certified by the Issuer with each Financial Statement and Interim Account. All financial covenants shall be calculated on a consolidated basis for the Group during the term of the Bonds.

13.5 Slot Owner Covenants

(a) Business

The Issuer shall procure that the Slot Owner will be a limited liability company incorporated in Norway (or such other jurisdiction as approved by the Bond Trustee), directly or indirectly owned by the Issuer with Slots being its main asset and otherwise operating in the ordinary course of its business.

(b) Valuation

The Issuer shall procure that the Slot Owner delivers to the Bond Trustee, no later than together with the Interim Accounts for the period ending 30 June, a Slot Valuation Report with reference to values on 30 June that year.

(c) Status as an air carrier

The Issuer shall:

- (i) procure that the Slot Owner shall comply with all requirements under applicable law necessary to maintain the Slot Owner's status as an "air carrier", and procure and maintain all consents and licences required in relation thereto; and

- (ii) promptly notify the Bond Trustee without delay of any suspension, revocation, or expiration of (and of any notice or warning of potential suspension or revocation of) such consents and licences with a plan to remedy the situation or dispose of the Slots for cash (in all material respects).

For the avoidance of doubt, the parties to this Agreement hereby acknowledge this Clause 13.5(c) (*Status as an air carrier*) shall not be breached as a result of any suspension, revocation, or expiration of (and of any notice or warning of potential suspension or revocation of) the Operating Licence of the Slot Owner, to the extent that:

- (iii) the Issuer has complied with (and continues to be in compliance with) Clause 13.5(d) (*Temporary Operating Licence*) below; and
- (iv) the Norwegian Civil Aviation Authority has not declined to grant a Temporary Operating Licence to the Slot Owner, or has not suspended, revoked or otherwise terminated a Temporary Operating Licence of the Slot Owner (other than in connection with replacement of such Temporary Operating Licence with an Operating Licence due to an improvement in the financial condition of the Slot Owner).

(d) Temporary Operating Licence

In the event that the Norwegian Civil Aviation Authority notifies the Slot Owner in writing of its intention to suspend, withdraw or revoke the Slot Owner's Operating Licence as a result of the financial performance of the Slot Owner and/or the Issuer no longer being satisfied that the Slot Owner can meet its actual and potential obligations for a twelve (12) month period, the Issuer shall procure that the Slot Owner promptly commences preparation of all necessary information and takes all necessary steps to apply to the Norwegian Civil Aviation Authority for a Temporary Operating Licence including, without limitation, an appropriate business plan and, in the event such business plan is approved by the Norwegian Civil Aviation Authority, procure that the Slot Owner implements such business plan.

(e) Intragroup Services Agreements

The Issuer shall procure that no Intragroup Services Agreement permits a Group Company (other than the Slot Owner) to terminate such agreement on less than three (3) months' prior written notice to the Slot Owner.

(f) Status of Slots

The Issuer shall procure that all Slots owned by the Group at London Gatwick Airport shall be held by the Slot Owner, and thereafter shall procure that the Slot Owner shall retain ownership of all such Slots at London Gatwick Airport, save that the Slot Owner may sell, trade, swap or otherwise dispose of any such Slots:

- (i) for cash, provided that (from and including the time of the Slot Disposal Trigger Event) the proceeds thereof are applied in accordance with Clause 10.4.1 above;

- (ii) on a temporary basis in the course of reasonable management of the airline operations of the Group; or
- (iii) for consideration comprising Slots on an airport other than London Gatwick Airport, provided that such disposal would not cause the Slot Owner to own Slots at London Gatwick Airport with an aggregate fair market value of less than 80% of the aggregate fair market value of Slots at London Gatwick Airport owned by it at the time of and by reference to the first-delivered Slot Valuation Report.

(g) Slot Owner Financial Indebtedness

The Issuer shall procure that the Slot Owner does not incur or permit to remain outstanding any Financial Indebtedness (whether secured or unsecured, actual or contingent) other than:

- (i) amounts arising in relation to intra-group aircraft leasing; and
- (ii) Intercompany Claims.

(h) Minimum liquidity

The Issuer shall procure that the Slot Owner at all times maintains Slot Owner Liquidity of no less than USD 2,000,000 (not including cash in the Excess Slot Disposal Proceeds Account).

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 Document, to setoff and cover any such costs and expenses.
- 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 Finance Document.

- 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 imposed by applicable law on any payments to the Bondholders.
- 14.6 If the Issuer is required by law to withhold any 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 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.

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:

- (a) Non-payment

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

- (b) Breach of other obligations

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

- (c) Cross default

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);

- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above of a total of NOK 75 million, or the equivalent thereof in other currencies, shall apply.

(d) Misrepresentations

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

(e) Insolvency

- (i) A Group Company, 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 any Group Company is less than its liabilities (taking into account contingent and prospective liabilities).

(f) Insolvency proceedings and dissolution

If for any Group Company, 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 Clause 15.1(f) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within thirty (30) days of commencement.

(g) Creditors' process

Any Group Company having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in paragraph (c) above and is not discharged within thirty (30) days.

(h) Impossibility or illegality

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

(i) Material Adverse Change

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

- 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, and subject to remedy by the Issuer of such circumstance within the periods set out therein, the Bond Trustee shall declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment if:

- (a) 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
- (b) 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.

- 15.5 Notwithstanding any provision of the Finance Documents to the contrary, the Bond Trustee (on behalf of the Bondholders) hereby acknowledges and agrees that any and all proceeds received or recovered by the Bond Trustee in its capacity as collateral agent as a result of

enforcement of the Security Documents shall be applied in or towards payment *pro rata* between the Bonds and the NAS08 Bonds, based on the outstanding principal amount of such bonds from time to time, for further application in accordance with the respective bond agreements of such bonds.

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:

- (a) the Issuer;
- (b) Bondholders representing at least 1/10 of the Voting Bonds;
- (c) the Exchange, if the Bonds are listed; or
- (d) 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 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 ten 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 number of Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 16.2.10 The Bondholders, the Bond Trustee and - provided the Bonds are listed - representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- 16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

16.3 Resolutions passed at Bondholders' Meetings

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

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

- 16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 16.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.

- 16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in Clause 16.3.5.
- 16.3.5 A majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of this Bond Agreement.
- 16.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.
- 16.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

16.4 Repeated Bondholders' Meeting

- 16.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.
- 16.4.2 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.

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 Business Days following the dispatch of such notification.
- 17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.
- 17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 17.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.
- 17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.
- 17.1.9 The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.
- 17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.

17.2 Liability and indemnity

- 17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.
- 17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.
- 17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.3(a) or 16.2.1(b)), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted

in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.

17.3 Change of Bond Trustee

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

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

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

17.4 Security Agent

17.4.1 The Bond Trustee is appointed to act as Security Agent for the Bond Issue, unless any other person is appointed. The main functions of the Security Agent may include holding the Security Interest 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 made available to it pursuant to the Finance Documents.

17.4.2 The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Security Interest in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.

17.4.3 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.

17.4.4 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, whether or not a separate Security Agent agreement has been entered into.

17.4.5 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.

17.4.6 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.

17.4.7 The provisions set out in Clause 17.2 (*Liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

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:

- (a) the Bondholders are bound by the terms of this Bond Agreement;
- (b) 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;
- (c) 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
- (d) 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**”):

- (a) 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;
- (b) 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
- (c) 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:

- (a) the Issuer shall be released from the obligations under all provisions in Clause 13, except Clauses 13.2.1(a), (e), (g), (h) and (i), or as otherwise agreed;
- (b) 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;
- (c) 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;
- (d) any Security other than the Defeasance Security shall be discharged (to the extent that such Security is no longer required to be maintained due to any provision of the NAS08 Finance Documents); and
- (e) 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. 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:

(a) if by letter via the Securities Depository, when sent from the Securities Depository; and

(b) if by publication on Stamdata, when publicly available.

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

18.6.3 Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and the 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:

(a) if by letter, when delivered at the address of the relevant Party;

(b) if by e-mail, when received; and

(c) 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):

- (a) 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.
- (b) 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.
- (c) 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 Clause 18.7.3 below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.

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

SCHEDULE 1
COMPLIANCE CERTIFICATE

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

Fax: +4722 8794 10

E-mail: mail@nordictrustee.no

[date]

Dear Sirs,

Norwegian Air Shuttle ASA Bond Agreement 2015/2019 - ISIN 001 0753437

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. in accordance with Clause 13.4(a) the Minimum Book Equity as of [date] is [o];
4. in accordance with Clause 13.4(b) the Liquidity as of [date] is [o];

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

Yours faithfully

Norwegian Air Shuttle ASA:

[Klikk for å skrive tekst](#)

By: _____

Name:

Title:

Enclosure: *[copy of any written documentation]*