

INDICATIVE, NON-BINDING TERM SHEET



NORWEGIAN AIR SHUTTLE ASA FRN PERPETUAL SUBORDINATED CONVERTIBLE BONDS

ISIN [●]

Issue Date: Expected to be [●]

Issuer: Norwegian Air Shuttle ASA, incorporated under the laws of Norway with business registration number 965 920 358 and LEI-code 549300IEUH2FEM2Y6B51

Bond Trustee: Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85

Currency: NOK

Issue Amount: Up to NOK 1,875,000,000 (excluding PIK Bonds)

Issue Date: Expected to be [●]¹

Maturity Date: The Bonds shall be perpetual with no scheduled maturity date.

Interest Rate: The percentage rate per annum which is the aggregate of the Reference Rate plus the Margin

Margin:	Year 1	Years 2 - 3	Years 4 - 5	Years 6 - 7	Year 8+
	250 bps	350 bps	500 bps	700 bps	950bps

Reference Rate: 6-month NIBOR

PIK Interest: Interest to be settled through issuance of additional Bonds (**PIK Bonds**), unless in respect of any Interest Payment Date the Issuer elects to pay interest in cash.

[PIK Bonds shall bear interest at a rate equal to the Interest Rate from time to time, however will be treated as a separate claim in the CSD and will be provided with a separate ISIN in accordance with the procedures of the CSD. Any ISIN for PIK Bonds shall not have any voting rights in accordance with the Bond Terms and will be subject to Bondholders' decision made in any Bondholders Meeting, however shall retain Conversion Rights.]²

¹ To be determined based on the effective date of any scheme of arrangement in respect of the Examinership and/or Reconstruction

² TBC

Interest Payment Date:	The last day of each Interest Period, the first Interest Payment Date being [●]
Interest Periods:	Subject to adjustment in accordance with the Business Day Convention, the period between [●] and [●] each year
Business Day:	A day on which both the relevant CSD settlement system is open and the relevant Bond currency settlement system is open
Business Day Convention:	If the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day
Default Interest:	Interest Rate plus 2 percentage points p.a.
Conversion Rights:	Each Bond (including PIK Bonds) shall entitle the holder, at any time during the Conversion Period, to convert such Bond into ordinary shares of the Issuer (Shares), credited as fully paid, at the Conversion Price.
Conversion Price:	NOK [●] ³ , subject to adjustment as set out in <i>Anti-Dilution Protection</i> below Upon conversion of Bonds to Shares, a consideration equal to the Conversion Price shall be paid for each Share. Payment shall be carried out by set-off against the Bonds. The number of new Shares to be issued upon conversion shall equal the aggregate nominal value of the Bonds that are to be converted, divided by the Conversion Price. If this does not result in a whole number of Shares, the number shall be rounded down to the nearest number of whole Shares.
Conversion Period:	The Conversion Period shall commence: <ul style="list-style-type: none"> (a) in respect of up to NOK 20,000,000 of Bonds subscribed for by each creditor (taken together with its affiliates and related parties), on the date that is 30 days after the Issue Date; and (b) in respect of Bonds subscribed for by each creditor (taken together with its affiliates and related parties) in excess of NOK 20,000,000 in aggregate, on the second anniversary of the Issue Date, and in each case shall end on (and include) the tenth Business Day prior to (i) the Conversion Right Expiry Date or (ii) any earlier date fixed for redemption of the Bonds. Any Bondholder that is also a shareholder of the Issuer on the date on which an Extension Resolution is proposed at a General Meeting of the Issuer shall vote in favour of the Extension Resolution. Conversion Right Expiry Date means the date that is (i) five years from the date on which the issue of the Bonds was approved by the Issuer or, if later (ii) the

³ Conversion Price to be 150% of the share price in respect of the Rights Offering / Private Placement.

latest date on which the Conversion Rights may be exercised pursuant to an Extension Resolution.

Extension Resolution means a valid resolution by the Issuer, to be made prior to the Conversion Right Expiry Date, to extend the conversion period for the Conversion Rights.⁴

Conversion Notice Period: Ten Business Days.

Interest following Conversion Right Expiry Date	If the Conversion Right Expiry Date occurs, the provisions with respect to Default Interest shall apply, save that the rate of such Default Interest shall be the Interest Rate plus 20 percentage points p.a., until such time as the Conversion Right Expiry Date is extended.
Anti-Dilution Protection:	Euro-market standard anti-dilution provisions dealing with, <i>inter alia</i> , share consolidations, share splits, spin-off events, rights issues and reorganisations (provided that no adjustment shall occur as a consequence of any event or circumstance provided for by any scheme of arrangement in relation to the Examinership and/or Reconstruction (as defined below)).
Subscription Price:	100% of the Initial Nominal Amount
Initial Nominal Amount:	NOK 1
Minimum Investment:	The minimum permissible investment in the Bonds is the NOK equivalent of EUR 100,000.
Use of proceeds:	The Issuer will use the net proceeds from the Bond Issue for the general corporate purposes of the Issuer and its subsidiaries.
Status of the Bonds:	<p>The Bonds, including any accrued interest any other amounts due in respect of the Bonds, shall constitute direct, unsecured obligations of the Issuer and shall rank:</p> <ul style="list-style-type: none">(a) <i>pari passu</i> without any preference among themselves (Parity Obligations);(b) senior in right and priority of payment to the ordinary share capital of the Issuer (Junior Obligations); and(c) junior in right and priority of payment, and shall be postponed and subordinated to, all present and future claims of all (i) unsubordinated creditors of the Issuer, and (ii) subordinated creditors whose rights are expressed to rank senior to the Bonds.
Dividend Restriction:	No declaration or making of dividend, interest or other distributions or payments (including by way of repurchase) in respect of Junior Obligations or Parity

⁴ Pursuant to Norwegian law, conversion rights may not be granted in excess of five years without a subsequent resolution extending such period

Obligations at any time while the Bonds (including any PIK Bonds) remain outstanding.

No set-off: Subject to applicable law, no Bondholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Bonds and each Bondholder shall, by virtue of its holding of any Bond, be deemed to have waived all such rights of set-off, compensation or retention.

Listing: The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 6 months after the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

Exchange: Oslo Børs or any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive (Directive 2004/39/EC) or the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as applicable.

Transaction Security: Unsecured

Finance Documents The Bond Terms, the Bond Trustee Agreement, the Calculation Agency Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

Conditions Precedent: Disbursement of proceeds from the Bonds to the Issuer shall be conditional upon the events set out in Schedule 1 to this Term Sheet being fulfilled.

Issuer Call Option: The Issuer shall at any time after the fourth anniversary of the Issue Date (the **First Call Date**) have the right to redeem all or part of the Outstanding Bonds (including, if any, PIK Bonds), together with accrued and unpaid interest, at a price equal to:

- (a) from the First Call Date to the fifth anniversary of the Issue Date, 103% of Nominal Amount; and
- (b) after the fifth anniversary of the Issue Date, 100% of the Nominal Amount,

such right to be exercised by prior written notice to the Bond Trustee not more than 60 nor less than 30 calendar days prior to the settlement date for redemption.

Listing Failure Event: means that:

- (a) the Bonds have not been admitted to listing on an Exchange on or before the date that is 6 months after the Issue Date, or
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange.

Upon a Listing Failure Event and for so long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under the Bonds Terms shall accrue at the Interest Rate plus 1 percentage point p.a.

ESG: The Issuer will aim within 2030 to reduce carbon emissions with 45% per passenger per kilometer compared to the levels in 2010 and seek to be one of the leaders within the European airline industry in respect of emissions and sustainability.

Information Undertakings: Customary information undertakings, to include making financial reports available on the website of the Issuer, and informing the Bond Trustee and the Bondholders of a Listing Failure Event or the occurrence of the Conversion Right Expiry Date

No Events of Default: The Bond Terms will not contain any event of default provisions. Neither the Bond Trustee nor the Bondholders may declare any event of default by the Issuer of any of its obligations under the Bond Terms or accelerate, demand or enforce payment of any such obligations (neither on a contractual basis nor on the basis of general principles of Norwegian law).

Notwithstanding the foregoing, the Bond Trustee may demand that the Bonds shall become due and payable, together with accrued and unpaid interest, on or after the date on which any order is made or resolution is passed for the final and irrevocable liquidation, final and irrevocable winding-up or final and irrevocable dissolution (or an analogous insolvency process in any jurisdiction) of the Issuer (otherwise than for the purposes of reconstruction, amalgamation or merger where the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer).

Bond Terms: The standard Nordic Bond Terms for corporate high yield bonds related to each Relevant Jurisdiction will regulate the rights and obligations with respect to the Bonds. In the event of any discrepancy between this term sheet and the Bond Terms, the provisions of the Bond Terms shall prevail.

By filing an application to subscribe for Bonds, each investor accepts to become a Bondholder (as defined in the Bond Terms) and to be bound by the provisions of the Bond Terms. Further, by filing such application, each investor accepts that certain adjustments to the structure and terms described in this term sheet may occur in the final Bond Terms.

The Bond Terms shall include provisions on the Bond Trustee's right to represent the Bondholders, including a "no action" clause, meaning that no individual Bondholder may take any legal action against the Issuer individually (as further described in the Bond Terms). The Bond Terms will further contain provisions regulating the duties of the Bond Trustee, procedures for Bondholders' Meetings/Written Resolutions and applicable quorum and majority requirements for Bondholders' consent, whereby a sufficient majority of Bondholders may materially amend the provisions of the Bond Terms or discharge the Bonds in part or in full without the consent of all Bondholders, as well as other provisions customary for a bond offering as described herein.

Defined terms:	Capitalised terms used but not defined herein shall have the meaning ascribed to such terms in the standard Nordic Bond Terms for high yield bonds.
Calculation Agent:	[•]
Paying and Conversion Agent:	DNB Bank ASA
Securities Depository:	The Bonds will be registered in book entry form in Verdipapirsentralen ASA, the Norwegian central securities depository (the CSD).
Examinership and Reconstruction:	References to the Examinership and Reconstruction herein shall be references to (i) the examinership of the Issuer and certain of its subsidiaries granted by the High Court of Ireland on 7 December 2020 and (ii) the reconstruction of the Issuer granted by the Oslo Probate Court on 8 December 2020, respectively.
Eligible Investors:	Only holders of an unsecured debt claim against the companies subject to Examinership and Reconstruction in an agreed amount (an Agreed Claim) at the opening of the Examinership shall be entitled to apply for Bonds, subject in all respects to applicable securities legislation.
Allocation:	<p>Each Eligible Investor shall be entitled to apply for Bonds in a minimum amount of the Minimum Investment and a maximum amount equal to 50% of its Agreed Claim.</p> <p>Bonds shall be allocated to each applying Eligible Investor on a <i>pro rata</i> basis, based on the proportion that its Agreed Claim bears to the aggregate Agreed Claims of Eligible Investors who apply for the Bonds (such proportion being, with respect to such Eligible Investor, its Pro Rata Proportion).</p> <p>To the extent that any Eligible Investor subscribes for less than its Pro Rata Proportion, resulting in unsubscribed Bonds, such unsubscribed Bonds shall be reallocated among Eligible Investors who have not been allocated the full subscription applied for, in accordance with their respective Pro Rata Proportions, until the Bonds are fully subscribed.</p>
Continuation of existing debt:	An amount of each subscriber's Agreed Claim equal to 200% of the aggregate Nominal Amount of Bonds subscribed for will be converted into non-amortising and interest free bonds, substantially on the terms set out in Schedule 2 (<i>Retained Claims Bonds</i>) (the Retained Claims Bonds).
Manager:	DNB Bank ASA, DNB Markets
Repurchase of Bonds:	The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion.
Terms of subscription:	Any subscriber of the Bonds specifically authorises the Bond Trustee to execute and deliver the Bond Terms on behalf of the prospective Bondholder, who will execute and deliver relevant application forms prior to receiving Bond allotments. On this basis, the Issuer and the Bond Trustee will execute and deliver the Bond

Terms and the latter's execution and delivery shall be on behalf of all of the subscribers, such that they thereby become bound by the Bond Terms. The Bond Terms specify that by virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the terms of the Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with.

The Bond Terms shall be made available to the general public for inspection purposes and may, until redemption in full of the Bonds, be obtained on request to the Bond Trustee or the Issuer.

**Subscription
Restrictions:**

The Bonds will only be offered or sold within the United States to Qualified Institutional Buyers ("QIBs") as defined in Rule 144A under the U.S. Securities Act.

The Bonds have not and will not be registered under the U.S. Securities Act, or any state securities law except pursuant to an exemption from the registration requirements of the U.S. Securities Act and appropriate exemptions under the laws of any other jurisdiction. The Bonds may not be offered or sold within the United States to, or for the account or benefit of, any U.S. Person (as such terms are defined in regulations), except pursuant to an exemption from the registration requirements of the U.S. Securities Act. Failure to comply with these restrictions may constitute a violation of applicable securities legislation.

Transfer Restrictions:

The Bonds will be freely transferable in accordance with the rules and regulations governing securities registered in the CSD, and may be pledged, subject to the following:

- (a) 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 or its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations at its own cost and expense.
- (b) Notwithstanding the above, a Bondholder that has purchased the Bonds in contradiction to mandatory restrictions may nevertheless utilize its voting rights under the Bond Terms provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

Governing Law:

The Bond Terms will be governed by Norwegian law with Oslo District Court (*tingrett*) as agreed legal venue.

SCHEDULE 1
CONDITIONS PRECEDENT

1. Conditions precedent for disbursement to the Issuer

- (a) Payment of the net proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) these Bond Terms duly executed by all parties hereto;
 - (ii) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) a certified copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
 - (iv) certified copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) copies of the Issuer's latest Financial Reports (if any);
 - (vi) confirmation that the applicable prospectus requirements (ref the EU prospectus directive (2003/71 EC)) concerning the issuance of the Bonds have been fulfilled;
 - (vii) confirmation that the Bonds are registered in the CSD;
 - (viii) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (ix) the Bond Trustee Fee Agreement duly executed by the parties thereto;
 - (x) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents); and
 - (xi) evidence that the Retained Claims Bonds shall be issued on or about the Issue Date.

The Bond Trustee, acting in its reasonable discretion, may, regarding this Clause (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation, or decide in its discretion that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

**SCHEDULE 2
RETAINED CLAIMS BONDS**

INDICATIVE, NON-BINDING TERM SHEET

The logo for Norwegian Air Shuttle, featuring the word "norwegian" in white lowercase letters on a red rectangular background. A stylized blue and red swoosh is positioned below the text.

NORWEGIAN AIR SHUTTLE ASA RETAINED CLAIMS BONDS 2021/2026

ISIN [●]

Issue Date: Expected to be [●]

Issuer:	Norwegian Air Shuttle ASA, incorporated under the laws of Norway with business registration number 965 920 358 and LEI-code 549300IEUH2FEM2Y6B51
Group:	The Issuer with all its subsidiaries from time to time
Bond Trustee:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85
Examinership and Reconstruction:	References to the Examinership and Reconstruction herein shall be references to (i) the examinership of the Issuer and certain of its subsidiaries granted by the High Court of Ireland on 7 December 2020 and (ii) the reconstruction of the Issuer granted by the Oslo Probate Court on 8 December 2020, respectively.
Type of Issue:	Zero coupon and non-amortizing unsecured bonds to be issued to certain holders of an unsecured debt claim against the companies subject to Examinership and Reconstruction in an agreed amount (an Agreed Claim), by way of conversion of part or all of such Agreed Claim into Bonds (the Debt Conversion)
Eligibility and allocation:	<p>Each creditor of the Group shall be entitled to participate in the Debt Conversion in an amount equal to 200% of such creditor's subscription for:</p> <ul style="list-style-type: none">(a) certain perpetual subordinated convertible bonds to be issued by the Issuer on or about the Issue Date (New Capital Perpetual Bonds); and(b) in the case of creditors that, taken together with their affiliates and related parties, hold less than EUR 100,000 of existing debt claims (or its equivalent in another currency), ordinary shares in the private placement of the Issuer to take place on or about the Issue Date.
Currency:	[●]
Issue Date:	Expected to be [●]
Maturity Date:	In respect of 50% of the Bonds issued to each Bondholder on the Issue Date, 30 September 2025, and in respect of the remaining 50% of the Bonds issued to each Bondholder on the Issue date, 30 September 2026.
Zero coupon:	The Bonds shall not accrue interest.

Subscription Price:	100% of the Nominal Amount
Status of the Bonds:	The Bonds will constitute senior unsecured debt obligations of the Issuer. The Bonds will rank at least <i>pari passu</i> with each other and with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).
Listing:	The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange on or before the end of 1 st quarter of 2022 and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.
Exchange:	Oslo Børs or any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive (Directive 2004/39/EC) or the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as applicable.
Transaction Security:	Unsecured
Finance Documents	The Bond Terms, the Bond Trustee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.
Information Undertakings:	Standard information undertakings pursuant to the Bond Terms
General Undertakings:	Standard general undertakings pursuant to the Bond Terms, addressing authorisations, compliance with laws, continuation of business, corporate status, mergers and de-mergers, financial indebtedness, negative pledge, financial support, disposals and related party transactions
ESG:	The Issuer will aim within 2030 to reduce carbon emissions with 45% per passenger per kilometer compared to the levels in 2010 and seek to be one of the leaders within the European airline industry in respect of emissions and sustainability.
Events of Default:	Standard Event of Default provisions applicable to the Issuer pursuant to the Bond Terms, with a cross acceleration threshold of NOK [•] ⁵ (or equivalent thereof in any other currency) and an equal threshold amount for insolvency or insolvency proceedings, creditor's process and material litigation.
Dividend Restriction:	No declaration or making of dividend payments, repurchase of shares or other distributions or loans to shareholders of the Issuer at any time while the Bonds remain outstanding.
Bond Terms:	The standard Nordic Bond Terms for corporate high yield bonds related to each Relevant Jurisdiction will regulate the rights and obligations with respect to the Bonds. In the event of any discrepancy between this term sheet and the Bond Terms, the provisions of the Bond Terms shall prevail.

By filing an application to subscribe for Bonds, each investor accepts to become a Bondholder (as defined in the Bond Terms) and to be bound by the provisions of the Bond Terms. Further, by filing such application, each investor accepts that

⁵ TBC

certain adjustments to the structure and terms described in this term sheet may occur in the final Bond Terms.

The Bond Terms shall include provisions on the Bond Trustee's right to represent the Bondholders, including a "no action" clause, meaning that no individual Bondholder may take any legal action against the Issuer individually (as further described in the Bond Terms). The Bond Terms will further contain provisions regulating the duties of the Bond Trustee, procedures for Bondholders' Meetings/Written Resolutions and applicable quorum and majority requirements for Bondholders' consent, whereby a sufficient majority of Bondholders may materially amend the provisions of the Bond Terms or discharge the Bonds in part or in full without the consent of all Bondholders, as well as other provisions customary for a bond offering as described herein.

Defined terms: Capitalised terms used but not defined herein shall have the meaning ascribed to such terms in the Bond Terms.

Securities Depository: The Bonds will be registered in book entry form in Verdipapirsentralen ASA, the Norwegian central securities depository (the **CSD**).

Repurchase of Bonds: The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion.

Terms of subscription: Any subscriber of the Bonds specifically authorises the Bond Trustee to execute and deliver the Bond Terms on behalf of the prospective Bondholder, who will execute and deliver relevant application forms prior to receiving Bond allotments. On this basis, the Issuer and the Bond Trustee will execute and deliver the Bond Terms and the latter's execution and delivery shall be on behalf of all of the subscribers, such that they thereby become bound by the Bond Terms. The Bond Terms specify that by virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the terms of the Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with.

The Bond Terms shall be made available to the general public for inspection purposes and may, until redemption in full of the Bonds, be obtained on request to the Bond Trustee or the Issuer.

Subscription Restrictions: The Bonds will only be offered or sold within the United States to Qualified Institutional Buyers ("QIBs") as defined in Rule 144A under the U.S. Securities Act.

The Bonds have not and will not be registered under the U.S. Securities Act, or any state securities law except pursuant to an exemption from the registration requirements of the U.S. Securities Act and appropriate exemptions under the laws of any other jurisdiction. The Bonds may not be offered or sold within the United States to, or for the account or benefit of, any U.S. Person (as such terms are defined in regulations), except pursuant to an exemption from the registration requirements of the U.S. Securities Act. Failure to comply with these restrictions may constitute a violation of applicable securities legislation.

- Paying Agent:** DNB Bank ASA
- Transfer Restrictions:** The Bonds will only become freely transferable after 31 December 2021 in accordance with the rules and regulations governing securities registered in the CSD, and may be pledged, subject to the following:
- (a) 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 or its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations at its own cost and expense.
 - (b) Notwithstanding the above, a Bondholder that has purchased the Bonds in contradiction to mandatory restrictions may nevertheless utilize its voting rights under the Bond Terms provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.
- Governing Law:** The Bond Terms will be governed by Norwegian law with Oslo District Court (*tingrett*) as agreed legal venue.

SCHEDULE 1
CONDITIONS PRECEDENT

1. Conditions precedent for disbursement to the Issuer

- (a) Payment of the net proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) these Bond Terms duly executed by all parties hereto;
 - (ii) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) a certified copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
 - (iv) certified copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) copies of the Issuer's latest Financial Reports (if any);
 - (vi) confirmation that the applicable prospectus requirements (ref the EU prospectus directive (2003/71 EC)) concerning the issuance of the Bonds have been fulfilled;
 - (vii) confirmation that the Bonds are registered in the CSD;
 - (viii) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (ix) the Bond Trustee Fee Agreement duly executed by the parties thereto; and
 - (x) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

The Bond Trustee, acting in its reasonable discretion, may, regarding this Clause (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation, or decide in its discretion that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.