



Norwegian Air Shuttle ASA

Listing of new Shares on Oslo Børs issued through conversion of debt to Shares

Listing of Norwegian Air Shuttle ASA FRN perpetual subordinated convertible bonds on Oslo Børs

Norwegian Air Shuttle ASA 21/PERP FRN FLOOR C SUB CONV
ISIN NO 0010996432

Norwegian Air Shuttle ASA 21/PERP FRN FLOOR C SUB CONV
ISIN NO 0010996440

Listing of Norwegian Air Shuttle ASA NAS13 senior secured bonds on Oslo Børs

Norwegian Air Shuttle ASA 21/26 ADJ C
ISIN NO 0010996390

THIS SECURITIES NOTE DOES NOT CONSTITUTE AN OFFER, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL, ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS SECURITIES NOTE

18 August 2021

IMPORTANT INFORMATION

This Securities Note (the “**Securities Note**”) has been prepared in connection with listing on Oslo Børs (the “**Listing**”) of (i) new shares each with a par value of NOK 0.10 (“**Shares**”) issued by Norwegian Air Shuttle ASA (“**Norwegian**”, the “**Company**” or the “**Issuer**”, and together with its direct and indirect subsidiaries, the “**Group**”) as a result of conversion of certain to Shares, (ii) FRN perpetual subordinated convertible bonds (the “**New Capital Perpetual Bonds**”) issued by Norwegian on 26 May 2021 and (iii) the senior secured bonds issued by Norwegian on 26 May 2021 (the “**NAS13 Bonds**” and together with the New Capital Perpetual Bonds, the “**Bonds**”). This Securities Note should be read together with the registration document dated 6 May 2021 (as supplemented through a supplemental registration document dated 18 August 2021, the “**Registration Document**”) and the summary dated 18 August 2021 (the “**Summary**”), each prepared and issued by the Company, which together with this Securities Note constitute a prospectus (the “**Prospectus**”).

This Securities Note has been approved by the Financial Supervisory Authority of Norway (Norwegian: *Finanstilsynet*) (the “**Norwegian FSA**”), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Securities Note. This Securities Note is valid for a period of up to 12 months following its approval by the Norwegian FSA. The Prospectus has been prepared in order to provide information about the Issuer and its business in relation to the Listing and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended from time to time, the “**Norwegian Securities Trading Act**”) and related secondary legislation, including simplified disclosure regime for secondary issuances, cf. Article 14 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the “**EU Prospectus Regulation**”).

This Securities Note has been prepared solely in the English language. Prospective investors must make their own assessment as to the suitability of investing in the Shares and Bonds.

For the definitions of terms used throughout this Securities Note, see section 10 “Definitions and glossary”.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in the Prospectus, which may affect the assessment by investors in the Shares which arises or is noted in the time between the time of approval of the Prospectus by the Norwegian FSA and the Listing of the Shares and the Bonds on the Oslo Stock Exchange, will be included in a supplement to the Prospectus without undue delay. Neither the publication nor distribution of the Prospectus shall under any circumstances imply that there has been no change in the Group’s affairs or that the information herein is correct as at any date subsequent to the date of the Prospectus.

The Company has furnished the information in this Securities Note. No representation or warranty, express or implied is made by the Managers (as defined below) as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Securities Note is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future.

Factors which are material for the purpose of assessing the market risks associated with Shares and Bonds

The Shares and Bonds may not be a suitable investment for all investors. Each potential investor in the Shares and Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Shares and Bonds, the merits and risks of investing in the Shares and Bonds and the information contained or incorporated by reference in this Securities Note and/or the Registration Document or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Shares and Bonds and the impact the Shares and Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Shares and the Bonds and be familiar with the behaviour of the financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The distribution of this Securities Note in certain jurisdictions may be restricted by law. The Company require persons in possession of this Securities Note to inform themselves about and to observe any such restrictions. This Securities Note does not constitute an offer of, or an invitation to purchase, any of the Shares or Bonds described herein and no Shares or Bonds are being offered or sold pursuant to this Securities Note in any jurisdiction.

The Shares and Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Securities Note shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Securities Note.

NOTICE TO INVESTORS IN THE UNITED STATES

THE SHARES OR THE BONDS HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY U.S. STATE OR OTHER JURISDICTION. THE COMPANY DOES NOT PLAN TO REGISTER THE ISSUANCE OR RESALE OF THE SHARES OR BONDS UNDER THE U.S. SECURITIES ACT. THE SHARES OR BONDS MAY NOT BE RE-OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT (A) UNDER A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AS APPLICABLE OR (C) PURSUANT TO ANOTHER APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT; IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE U.S. STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, ONLY IF THE COMPANY HAS RECEIVED DOCUMENTATION SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT.

NOTICE TO UNITED KINGDOM INVESTORS

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom (the "UK") or (ii) persons in the UK who are qualified investors as defined in the Prospectus Directive that are also: (a) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (b) high net worth companies or other persons falling within Article 49(2)(a) to (d) of the Order; or (c) otherwise persons to whom it may lawfully be directed (all such persons together being referred to as "relevant persons"). In the UK, the Shares are only available to, and any subsequent invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, relevant persons. Any person in the UK who is not a relevant person should not act or rely on this Supplemental Registration Document or any of its contents.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited company incorporated under the laws of Norway. As a result, the rights of holders of the Shares and Bonds will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) and the members of the Group's senior management (the "**Management**") are not residents of the United States. Virtually all of the Company's assets are located outside the United States. As a result, it may be impossible or difficult for investors in the United States to effect service of process on the Company, the Board Members and members of Management in the United States or to enforce judgments obtained in US courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

This Securities Note is not an offer to sell or a request to buy Shares, Bonds or any other securities of the Group. The content of this Securities Note does not constitute legal, financial or tax advice and potential investors in any securities issued by the Company should seek legal, financial and/or tax advice.

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1. RISK FACTORS

Investing in Shares or Bonds issued by Norwegian involves a particular high degree of risks. Prospective investors should consider, among other things, the risk factors set out in the Prospectus, before making an investment decision. The risks and uncertainties described in the Securities Note are risks of which the Issuer is aware and that the Issuer considers to be material to its business. If any of these risks were to occur, the Issuer's business, financial position, operating results or cash flows could be materially adversely affected, which may adversely affect the value of the Shares and Bonds as well as the Issuer's ability to perform its obligations under the Bonds and/or cause investors in the Bonds or the to lose all or part of invested capital.

In each category below, the Issuer sets out the most material risk, in the Issuer's assessment, taking into the negative impact of such risk on the Issuer and the Bonds and the probability of its occurrence. Please refer to the Registration Document for a listing of Issuer specific risk factors.

For the definitions of capitalised terms used throughout this Securities Note, see section 10 "Definitions".

1.1 General risk related to the Bonds

Risks related to COVID-19 impact on the Issuer

COVID-19 has had, and is expected to continue to have, a significant impact on the Issuer's financial condition and operations, which impacts the Issuer's ability to obtain acceptable financing to fund resulting reductions in cash from operations. The current, and uncertain future, impact of the COVID-19 outbreak, including its effect on the ability or desire of people to travel (including by air), is expected to continue to materially adversely impact the Issuer's results, operations, outlooks, plans, goals, growth, reputation, cash flows, liquidity, and company value. The Issuer's ability to return to normal operations is dependent upon, among other things, COVID-19, the developments on travel restrictions and the demand for the Issuer's services. The COVID-19 situation is continuously changing and new laws and regulations that affect the Issuer's operations may enter into force. No assurance can be given regarding if and when the Group may return to normalized operations, and the Group expects that any future business will be materially more limited and different as per pre-COVID-19.

Dependency on subsidiaries, associates and joint ventures

The Company's ability to pay any amounts due on the Bonds is, to a significant extent, dependent on the financial performance of its operating subsidiaries, associates and joint ventures holding the majority of the Group's operational assets, including licenses and AOC required to operate its business, and accordingly where the majority of the Group's cash flow is generated and will accordingly depend upon the level of distributions, interest payments and loan repayments, if any, received from such operating subsidiaries, associated undertakings and joint ventures, any amounts received on disposals of assets and equity holdings and the level of cash balances. Certain of the Group's operating subsidiaries, associated undertakings and joint ventures are and may, from time to time, be subject to restrictions on their ability to make distributions and loans including as a result of restrictive covenants in loan agreements, foreign exchange and other regulatory restrictions and agreements with the other shareholders of such subsidiaries or associated undertakings. Such restrictions may accordingly have a material adverse effect on the Company's financial position and consequently its ability to pay amounts due on the Bonds.

Risks related to amendments of the Bonds Terms and remedies afforded to the bondholders

The bond trustee for the Bonds (the "Bond Trustee") may agree, without the consent of the bondholders, to certain modifications to the Bond Terms and other related bond finance documents (as defined in the term sheet). Pursuant to the Bond Terms, remedies afforded to the bondholders are vested with the Bond Trustee, thus preventing individual bondholders from taking separate action. The Bond Trustee will be required to act in accordance with instruction given by a relevant majority of bondholders, but is also vested with discretionary powers. The bondholders face a risk that the Bond Trustee will agree to changes or amendments, or take actions, without the explicit consent of each of the Bondholders.

The value of the Bonds is volatile

The market value of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of their competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors. In addition, in recent years, the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market value of the Bonds without regard to the Issuer's operating results, financial condition or prospects. Furthermore, as a result of the COVID-19 pandemic, it is highly uncertain if and when the Group may return to normalized operations. Such uncertainty and any deviations from market anticipations, together with the significant changes made to the Group's operations as a result of the Restructuring, may cause high volatility in the attractiveness and accordingly the pricing of the Bonds, in particular, being securities issued by the Company and accordingly expected to be linked directly to the Company's operational progress and results. Especially the unsecured Bonds may fluctuate significantly as a response to such uncertainty and the Company's periodical reporting on traffic figures, operational progress and financial results.

1.2 Risks related to the New Capital Perpetual Bonds

Risks related to the New Capital Perpetual Bonds being perpetual

The New Capital Perpetual Bonds are perpetual with no fixed maturity date and are only redeemable at the option of the Issuer in certain limited circumstances, or at the option of each bondholder by exercising its right to convert such New Capital Perpetual Bonds into Shares (whereupon the resulting conversion Shares delivered to such Bondholder shall represent consideration for such redemption and no cash payment will be made). Furthermore, there are no enforceable events of default under the agreement governing the New Capital Perpetual Bonds (the "**Bond Terms**"). Bondholders will therefore be unable to accelerate the maturity date of the New Capital Perpetual Bonds, or take other actions against the Issuer to preserve their investments, even if the financial condition of the Issuer materially deteriorates.

The New Capital Perpetual Bonds are only subject to forced repayment in case of final liquidation or final winding-up of the Issuer. The New Capital Perpetual Bonds constitute direct, unsecured and deeply subordinated obligations of the Issuer.

All claims in respect of the New Capital Perpetual Bonds will rank as described in the Bond Terms, and shall rank *pari passu* between themselves and any obligation that ranks or is expressed to rank *pari passu* with the New Capital Perpetual Bonds ("**Parity Obligations**"). The New Capital Perpetual Bonds rank ahead of payments to holders of all classes of share capital of the Issuer in their capacity as such holders and any other obligation of the Issuer expressed by its terms as at its original issue date to rank, or which pursuant to Norwegian law will rank, junior to the New Capital Perpetual Bonds and the Parity Obligations. The New Capital Perpetual Bonds shall rank junior in right of payment to any present or future claims of all unsubordinated creditors of the Issuer, and to all subordinated creditors of the Issuer whose rights are expressed to rank senior to the New Capital Perpetual Bonds and the Parity Obligations.

The Bondholders may lose their investment in the New Capital Perpetual Bonds entirely or partly if the Issuer's assets upon final liquidation of the Issuer are insufficient to cover the claims of more senior-ranking creditors and/or Parity Obligations in full, or as a consequence of the ongoing examinership and reconstruction processes, pursuant to which debt claims of the company may be subject to, *inter alia*, cram-down and/or conversion to equity or equity-like instruments. Furthermore, the amount of any claim derived from the outstanding New Capital Perpetual Bonds due for payment upon final liquidation shall be calculated as if all outstanding New Capital Perpetual Bonds had been converted into Shares on the date of such final liquidation, at the conversion price in effect at such time plus the amount of any accrued but unpaid interest (the "**Claim**"). To the extent the nominal amount of the outstanding New Capital Perpetual Bonds as of such date exceeds the amount of the Claim, no other payment or settlement in any form shall be made in lieu of such excess, and the Bondholders shall have no further rights to or in respect of such excess.

Interest payments, New Capital Perpetual Bonds

The New Capital Perpetual Bonds accrue interest at the percentage rate per annum which is the aggregate of 6-month NIBOR plus a step-up margin. The Issuer may, at any time and in its sole discretion, decide that the interest which is otherwise scheduled to be paid shall be capitalised and paid by issuing new bonds on the applicable interest payment date (“PIK Bonds”). Accordingly, there is no obligation on the Issuer to pay out interest in cash.

As set out above, the New Capital Perpetual Bonds are redeemable only in certain limited circumstances, subject to that any Bondholder may elect to convert its New Capital Perpetual Bonds into Shares on 10 business days’ notice - as such, an investment in the New Capital Perpetual Bonds will bear many similarities with an investment in the Shares.

In the event that the conversion rights under the New Capital Perpetual Bonds expire prior to being extended by a general meeting of the Issuer each outstanding Bond shall accrue interest payable in kind at a rate of 20 percentage points per annum. This mechanism seeks to address that Norwegian law does not permit the issuance of convertible instruments with conversion periods of longer than five years from issuance. The foregoing is an incentive to the Issuer and its shareholders to ensure that conversion rights are extended prior to expiry. As of the date of this Securities Note, the scheduled date of expiry of conversion rights is 24 May 2026, subject to any intervening extension of such date by the general meeting of the Issuer.

Risks related to the market for the New Capital Perpetual Bonds

There are currently only a limited number of holders and New Capital Perpetual Bonds. There is no existing market for the New Capital Perpetual Bonds and there can be no assurance given regarding the future development of a trading market for the New Capital Perpetual Bonds. There is a risk that the value of the New Capital Perpetual Bonds may decrease due to the changes in the Group, its financial position as well as relevant market risk factors. Furthermore, the price of a single bond issue will, generally, fluctuate due to general developments in the financial markets, as well as, specifically, investor interest in (and, thus, the liquidity of) the New Capital Perpetual Bonds and the passenger traffic market in which the Group is engaged. Accordingly, there is a risk that the value of the New Capital Perpetual Bonds may decrease in spite of an underlying positive development in the Issuer’s business activities.

No market-maker agreement is entered into in relation to the issue of the New Capital Perpetual Bonds, and the liquidity of the New Capital Perpetual Bonds will at all times depend on the market participants view of the value of the Shares. Potential investors should note that it may be difficult or even impossible to trade and sell the New Capital Perpetual Bonds in the secondary market.

Risks related to individual bondholder lack of right to have its New Capital Perpetual Bonds redeemed in case of any change of control or change of ownership in the Issuer

The bond terms for the New Capital Perpetual Bonds does not include a right for the bondholders to demand repayment in the event of a change of control in the Issuer, but the bondholders are entitled to exercise its conversion rights if a change of control occurs on or after the date which is six (6) months following the issue date, provided that such conversion right is exercised during the period commencing on the date on which the change of control occurs and ending on the earlier of (i) 60 calendar days following such date or, if later, 60 calendar days following the notification of a change of control event and (ii) the conversion right expiry date.

A change of control or change of ownership in the Issuer could lead to a new owner incorporating a change in strategy, management, risk or business model which may negatively affect the Issuer’s ability to redeem the New Capital Perpetual Bonds. In addition, certain of the Issuer’s contractual and financial arrangements may be subject to change of control or change of ownership provisions, which may cause termination or amended terms and which in turn may have a material adverse effect on the Issuer’s business, financial position, results of operations, future prospects, or its ability to redeem the New Capital Perpetual Bonds.

Risk related to tax classification of the New Capital Perpetual Bonds

For Norwegian tax purposes, the New Capital Perpetual Bonds will be regarded as a “hybrid instrument” on account of having characteristics of both debt and equity. The tax treatment of the New Capital Perpetual Bonds for both the Issuer and bondholders will under the current Norwegian tax legislation as such depend on an overall assessment of whether the New Capital Perpetual Bonds have more in common with debt or equity. Should Norwegian tax authorities take the stance that the New Capital Perpetual Bonds shall be treated as equity for Norwegian tax purposes, this will entail that interest payments will not be deductible for the Issuer, and interest received by bondholders will be regarded as return on equity for Norwegian tax purposes.

Risk related to the commencement of the conversion period

With respect to up to NOK 20,000,000 of New Capital Perpetual Bonds subscribed for by each creditor, the conversion period commenced on the issue date. However, subject to certain limited exemptions (such as a change of control as described above) the remaining New Capital Perpetual Bonds may only be converted on the date falling on the second anniversary of the issue date. Accordingly, the majority of the New Capital Perpetual Bonds may not be converted until 26 May 2023. Should a significant number of New Capital Perpetual Bonds be converted on or about the same time, such new Shares may be issued to creditors of the Company that may not have a long-term ownership horizon and may have an intention to sell the new Shares they receive. Sale of a substantial number of the new Shares, or the expectation of such sale, may have a material negative effect on the trading price of the Company’s Shares - or even the ability for shareholders to sell their shares at attractive terms, in a timely fashion or at all.

1.3 Risk related to the NAS13 Bonds

Risk related to the indirect nature of the Collateral, the value of the Slots and risk related to loss of Slots

The NAS13 Bonds are secured by way of (i) a share pledge (the “**Share Pledge**”) over 100% of the issued share capital of Norwegian Air Norway AS (“**NAN**” or the “**Slot Owner**”), (ii) a pledge over the bank account into which cash proceeds received by the Slot Owner arising from the sale, trade, swap or other disposal of the Slots is paid (the “**Ordinary Slot Disposal Proceeds Account**”), (iii) a pledge over the bank account into which cash proceeds received by the Slot Owner arising from the sale, trade, swap or other disposal of its Slots, excluding such proceeds received prior to occurrence of the Slot Disposal Trigger Event (such excluded proceeds being limited to USD 15,000,000) (the “**Excess Slot Disposal Proceeds Account**”), and (iv) an assignment of certain intercompany claims (the “**Collateral**”), and subject to relevant hardening periods.

The principal asset held by NAN is the take-off and landing slots (the “**Slots**”) at London Gatwick Airport (“**LGW**”). In addition to the Slots, NAN holds certain assets and liabilities reasonably required to hold an Air Operator Certificate (an “**AOC**”) and an Operating Licence and to maintain its status as an “air carrier” including, one leased aircraft and (through direct employment contracts or by way of intragroup service agreements) sufficient key personnel to maintain the relevant operating licences.

The Collateral does not include direct security over the Slots, but enforcement of the Share Pledge would enable the bond trustee to either (i) sell the shares in NAN (together with all NAN’s assets and liabilities, including the Slots), or (ii) exercise voting and other rights thereunder to replace NAN’s board of directors and, by assuming control of NAN, divest the Slots.

The value of the Slots at any given time will depend on various factors, including, amongst other things: (i) market, economic and airline industry conditions, including current conditions in the global (and in particular US and UK) economies, demand and capacity for international air travel, cost of fuel risk (increased costs may lessen the profitability of flying routes, lessening demand for the Slots), and restrictions on air traffic (ii) market and economic conditions that may be unique to local and regional markets, including competitive risk (secondary slot trades by competitors in a given market having an impact on the value of the Slots in such market), (iii) any changes to the capacity of an airport and the availability of and demand for similar slots or slots in general, (iv) the availability of buyers, (v) whether the Slot is sold separately or in conjunction with

other Slots as part of a series of slots, (vi) the time period in which the Slots are to be sold, including whether the seller is in a distressed state and is under time pressure to divest the Slots; and/ or (vii) regulatory and political risks.

In the event that NAN fails to comply or procure compliance with the Slot Usage Rule which provides that an airline can earn historic rights to a "series of slots" provided that it operates the slots as allocated by the coordinator at least 80% of the time during a season, or its AOC or Operating Licence is suspended or revoked without the grant of a temporary operating licence ("TOL"), whether as a result of operational or financial difficulties or otherwise, the Slots may be returned to the slot pool by the coordinator at LGW and/or NAN may lose its entitlement to use such Slots and its right to be reallocated such Slots in relation to any subsequent scheduling season. In such circumstances, NAN would not receive any monetary or other compensation for the loss of any such Slots. The ability of NAN to continue to satisfy the Slot Usage Rule in relation to the Slots relies on, amongst other things, the ability of the Group to manage its business and traffic rights and to operate flights utilising the Slots at the requisite levels.

The actual realisable value of the Collateral for bondholders will not be identical to the value of the Slots, due to, amongst other things, the effective structural subordination of the NAS13 Bonds and the prior rights of any secured or unsecured creditors of NAN. There is accordingly a risk that the value of the Collateral securing the NAS13 Bonds may not be sufficient to satisfy in full the obligations under the NAS13 Bonds.

Risks related to suspension, revocation or withdrawal of Operating Licences and issue of Temporary Operating Licences

In order to continue to hold a valid Operating Licence, an air carrier must be able to demonstrate that, amongst other things, it can meet and comply with (at any time) its actual and potential obligations for a period of 12 months. A failure to do so may result in the revocation or suspension of the Operating Licence by the Relevant Aviation Authority. Ultimately, if NAN's Operating Licence were to be revoked and no TOL was granted, the Slots may be returned to the slot pool for no monetary or other compensation. This may in turn have a material adverse effect on the value of the NAS13 Bonds and the Issuer's ability to redeem the bonds.

NAN's right to the Slots and its ability to maintain the requisite licences is primarily a function of, amongst other things, its own financial condition and solvency. NAN's own position could, however, be indirectly and consequentially affected by the financial distress or insolvency of affiliated parties if, as a result, the relevant affiliated party was no longer able to provide any services to NAN required in order for NAN to continue to operate as an air carrier and/or the continued usage of the Slots and payment therefor pursuant to the slot usage agreements and, in each case, NAN was not able to enter into suitable alternative arrangements.

Risks related to the transferability of Slots

Although the Company believes that the Slots will be transferable, the ownership of Slots and the transfer of Slots is subject to the rules, regulations and practices applicable at any time which may, *inter alia*, impose restrictions on the transferability of the Slots. Any restrictions or challenges in transferring the Slots may therefore have a material adverse effect on the Issuer's ability to redeem the Bonds and/or the Bond Trustee's ability to realize the Slots in the event of an enforcement scenario.

Risks related to change in law relating to the Slots and/or Licencing

Rights in relation to slots generally, their transfer, usage, allocation and reallocation and the grant, suspension and revocation of AOCs, Operating Licences and TOL are heavily dependent upon current law and regulations in the EU and other applicable jurisdictions as well as the policies and practices from time to time of the relevant regulatory bodies. No assurance can be given that the relevant law and/or regulations and/or policies and practices will remain unchanged or that, in the event of any change, such change will not adversely affect the existence of the Slots and the rights of NAN in relation thereto, the value of the Slots and/or the ability to sell the Slots in a timely manner or at all, which in turn may have a material adverse effect on the Collateral or the ability to redeem the NAS 13 Bonds.

1.4 Risks related to the Shares

Significant increase in number of Shares

As described in the Registration Document, the Company has been subject to an Irish examinership process (the “**Examinership**”) and a Norwegian reconstruction process (the “**Reconstruction**”) with the aim of resizing the balance sheet of the Company and attracting further investment in the Group. As a result of the Examinership and Reconstruction, which was completed by occurrence of the Effective Date on 26 May 2021, the Company has issued several convertible instruments, including the Dividend Claims. The determination of the amount of Dividend Claims to be converted to Shares is not fixed as any holder of the same on certain terms and as set out in the Dividend Claims Terms has the option to opt-out of the conversion of Dividend Claims to Shares. The maximum number of new Shares to be issued pursuant to the Dividend Claims is however fixed to 233,548,229 Shares and will not change. Furthermore, the New Capital Perpetual Bonds were offered to certain existing creditors for cash, which will be convertible into Shares to be issued by the Company at a price equal to 150% of the offer price¹ in the Offering that was completed on 26 May 2021 (subject to any adjustment of the conversion price in accordance with the terms of the New Capital Perpetual Bonds). See in particular sections 4.7 and 4.15 of the Registration Document for more details in respect of the Examinership, the Reconstruction and the Dividend Claims.

The abovementioned measures will significantly increase the number of issued Shares in the Company, thus diluting the existing shareholders. Furthermore, a significant number of such new Shares was or may be issued to creditors of the Company that may not have a long-term ownership horizon and may have an intention to sell the new Shares they receive. Sale of a substantial number of the new Shares, or the expectation of such sale, may have a material negative effect on the trading price of the Company’s Shares - or even the ability for shareholders to sell their shares at attractive terms, in a timely fashion or at all.

Risks related to COVID-19 impact on the Company uncertainty relating to the trading price of the Shares

The Company has been severely impacted by the current outbreak of the COVID-19 which has also led to a significant reduction in the trading price of the Shares. In addition, the Shares have been subject to significant volatility and price movements since the COVID-19 outbreak and the filing of the Examinership and Reconstruction. There can be no guarantee regarding the future development of the trading price of the Shares. The fluctuations in the trading price, the extraordinary market conditions and the extraordinary financial situation of the Company result in lower visibility on the future and could have an adverse effect on how the Shares are priced in the market. There is a material risk that the Shares will trade below the conversion price in respect of the New Capital Perpetual Bonds from time to time, and thus may result in a loss on an investment in the Shares.

Ownership restrictions - non-EEA nationals

The Company is subject to ownership restrictions whereby shareholders who are not EEA nationals owning or controlling the Company or any of its subsidiaries may potentially cause the Company’s and/or its subsidiaries’ authorizations to carry out air traffic operations to be annulled or temporary revoked on the grounds of violation of provisions in bilateral civil aviation agreements or violation of statutory rules. The Company’s articles of association therefore entitle its Board of Directors to require shareholders that are non-EEA nationals to sell their shares insofar as this is necessary to ensure that the Company no longer violates the above-mentioned provisions regarding ownership and control. In the alternative, the Company may demand that the shares are sold to the Company or that the Company shall redeem the shares by reduction of the Company’s share capital at a purchase price or redemption price (as applicable) fixed to the closing price at the Oslo Stock Exchange as per the day prior to the acquisition or redemption (as applicable) is taking place, deducted by 25 percent. As prior conversions and the contemplated debt conversion may have resulted or in future result in new non-EEA nationals as shareholders in the Company, this may negatively affect the Company’s and/or its subsidiaries’

¹ i.e. NOK 6.26 per share

authorizations to carry out air traffic operations. The Company may, for the same reason, be required to accept deviations from the agreed lock-up undertakings of such shareholders.

Exercise of voting rights and other shareholder rights

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to instruct their nominees to vote for such Shares unless their beneficial ownership is re-registered in their names with the VPS prior to the general meetings and may not be able to benefit from other shareholder rights, such as any preferred allocation and/or preferential rights in connection with any future offerings. The Group can provide no assurances that beneficial owners of the Shares will receive the notice of a general meeting in time to instruct their nominees to either effect a re-registration of the beneficial interests registered in the VPS or to vote their Shares in the manner desired by such beneficial owners. Hence, there is a risk that beneficial owners of Shares may not be able to exercise their voting rights or other shareholder rights or benefit from any preferred allocation in future offerings.

2. PERSONS RESPONSIBLE

2.1 Persons responsible for the information

Persons responsible for the information contained in this Securities Note:

Norwegian Air Shuttle ASA, with registered office at Oksenøyveien 3, 1366 Lysaker, Norway.

2.2 Declaration by persons responsible

Norwegian Air Shuttle ASA confirms that the information contained in this Securities Note is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

18 August 2021

The Board of Directors of Norwegian Air Shuttle ASA

Svein Harald Øygard
Chairperson

Ingrid Elvira Leisner
Board member

Margaret Christine Browne
Board member

Geir Olav Øien
Board member

Eric Holm
Board member

Katrine Gundersen
Board member

Lars Rahbæk Boilesen
Board member

Sondre Gravir
Board member

3. CORPORATE INFORMATION AND CERTAIN ASPECTS OF NORWEGIAN CORPORATE LAW

The following description includes certain information concerning the Company's share capital, a brief description of certain provisions contained in the Company's Articles of Association and Norwegian law in effect as of the date of this Securities Note. Any change in the Articles of Association is subject to approval by a General Meeting. This summary does not intend to be complete and is qualified in its entirety by the Articles of Association and Norwegian law.

3.1 Company corporate information

The Company's legal and commercial name is Norwegian Air Shuttle ASA. The Company is a public limited liability company organized under the laws of Norway and subject to the Norwegian Public Limited Liability Companies Act. The Company was incorporated on 22 January 1993. Its organisation number in the Norwegian Register of Business Enterprises is 965 920 358. The Company's legal entity identifier ("LEI") is 549300IEUH2FEM2Y6B51.

The Company's registered office address and place of business is at Oksenøyveien 3, 1366 Lysaker, Norway. The Company's postal address is P.O. Box 115, 1330 Fornebu, Norway. The Company may be reached via tel. +47 67 59 30 00, and its website is www.norwegian.com. The information at www.norwegian.com does not form part of this Securities Note unless that information is incorporated by reference into this Securities Note.

3.2 The Shares

3.2.1 Share capital

As of the date of this Securities Note, the Company's registered share capital is NOK 80,229,666.20 divided into 802,296,662 Shares each with a nominal value of NOK 0.10. All the Shares are issued and fully paid.

The number of Shares being admitted to trading following approval of this Securities Note is 802,296,662.

The Company has one class of shares, each Share carrying equal shareholder rights, including one voting right at the General Meeting. The Articles of Association do not provide for limitations on the transferability or ownership of Shares.

The existing Shares have been created under the Norwegian Public Limited Liability Companies Act and registered in book-entry form with the VPS. The existing Shares are registered under the Company's ordinary ISIN NO 001 0196140. The registrar for the Shares is DNB Bank ASA, with its registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway. The Company has been listed on Oslo Børs since December 2003 under the ticker "NAS".

3.2.2 Transferability

The Shares are freely transferrable and, subject to applicable securities law (further information below), there are no restrictions in the Company's securities.

The Company is subject to statutory rules requiring the Company and/or its subsidiaries to be owned and controlled by shareholders who are EEA nationals. Pursuant to articles 10 and 11 of the Company's Articles of Association, the Board of Directors has a right to request or compel shareholders that are not being domiciled within EEA to sell shares or to redeem their shares in certain circumstances, to ensure that the Company no longer violates the above-mentioned provisions regarding ownership and control.

Other than described above, share transfers are not subject to approval by the Company's Board of Directors, as elected from time to time.

3.2.3 Listing on the Oslo Stock Exchange

The Dividend Claims have, will or may on certain terms be converted into New Shares by way of Debt Conversion. On 27 July 2021, Dividend Claims in an amount of NOK 821,851,373.84 were converted into 94,961,294 New Shares in the Company, which were listed on Oslo Børs. Any additional New Shares to be issued in the ordinary share class of the Company are expected to be listed on Oslo Børs shortly after being issued.

The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

3.2.4 Authorisations

The Company has issued certain convertible instruments which by their terms are convertible into Shares by way of Debt Conversion being (i) the Dividend Claims and (ii) the New Capital Perpetual Bonds. Additional Shares may therefore be issued when and if the Dividend Claims and/or the New Capital Perpetual Bonds are converted to Shares. The Dividend Claims and New Capital Perpetual Bonds were issued on 26 May 2021 pursuant to the authorisation granted to the Board of Directors to issue convertible instruments at the Extraordinary General Meeting of the Company held on 17 December 2020:

- 1. The board of directors is authorized to adopt resolutions regarding borrowings as mentioned in the Public Limited Companies Act § 11-1.*
- 2. The aggregate amount of convertible loans that may be borrowed is NOK 10 billion (or a corresponding amount in another currency).*
- 3. The share capital may in total be increased by up to NOK 198,666,435.*
- 4. The authorization applied until the ordinary general meeting of the company in 2021, but in any case no later than 30 June 2021.*
- 5. The shareholders preferential rights upon subscription of the loans pursuant to the Public Limited Companies Act § 11-4, cf. § 10-4 and § 10-5, may be deviated from.*
- 6. This authorization shall replace the previous authorizations to issue convertible loans that is registered with the Norwegian Register of Business Enterprises with effect from the date the new authorization is registered there.*

The issuance of the Dividend Claims and New Capital Perpetual Bonds were registered on 26 May 2021 with the Norwegian Register of Business Enterprises.

The NAS13 Bonds were issued on 26 May 2021 following written resolutions made by the bondholders in the previous NAS07 and NAS08 bond loans issued by the Company. The Summons set out that the outstanding amounts under NAS07 and NAS08 shall be written down to reflect the value of the security interest and for the remaining unsecured amount to be treated as unsecured debt under and in accordance with the Restructuring Proposal, subject to the occurrence of the Effective Time (as defined in the Restructuring Proposal). These written resolutions were made on 29 March 2021, as further set out in section 5 "Reason for admission to trading". On 3 May 2021, the Company's Board of Directors approved the NAS13 Bond terms by way of a certain amendment and restatement agreement, in accordance with the written resolutions proposed in the Summons, and taking effect upon completion of the Restructuring, which occurred on 26 May 2021.

3.2.5 Rights attached to the Shares

The Company has one class of Shares. The Shares are equal in all respects, including the right to dividend; voting rights; rights to share in the Company's profit; rights to share in any surplus in the event of liquidation; redemption provisions; reserves or sinking fund provisions; (lack of) liability to further capital calls by the Company; and any provision discriminating against or favouring any existing or prospective holder of such securities as a result of such Shareholder owning a substantial number of Shares. The New Shares will carry dividend rights as of their respective issuance date.

Each Share carries one (1) vote at the Company's general meeting ("**General Meetings**" means the annual and Extraordinary General Meetings in the Company, and a "**General Meeting**" means any one of them). Distribution of dividends is resolved by a majority vote at the general meeting of the shareholders of the Company and on the basis of a proposal from the Board of Directors.

3.2.6 Relative seniority of the securities in the Company's capital structure in the event of insolvency

If the Company enters into insolvency or bankruptcy proceedings, Shareholders of the Company will be subordinated to all other creditors of the Company in their right to receive payment.

3.2.7 Dividend policy and restrictions

The Company generally aims to generate competitive returns to its shareholders. The Board has currently recommended not to distribute dividends but to retain any earnings in order to strengthen the Company's financial position. The Company has not paid dividends during the last three years and up until the date of this Securities Note.

The Group's financing arrangements include restrictions on the Group's ability to pay dividends. Restrictions on the Group's ability to pay dividend also applies to the DNB Loan Agreement, the New Capital Perpetual Bonds, the Retained Claims Bonds and the NAS13 Bonds.

3.2.8 Net proceeds and expenses related to the issue

The New Shares have been issued as a result of Debt Conversion. As such, there will be no cash proceeds related to the issues. The estimated expenses related to the issue of the New Shares are approximately NOK 5 million.

4. INFORMATION CONCERNING THE NEW CAPITAL PERPETUAL BONDS

The Bond Issue	<p>Norwegian Air Shuttle ASA zero coupon perpetual subordinated convertible bonds:</p> <ul style="list-style-type: none"> (a) Norwegian Air Shuttle ASA 21/PERP FRN FLOOR C SUB CONV ISIN NO 0010996432 (b) Norwegian Air Shuttle ASA 21/PERP FRN FLOOR C SUB CONV ISIN NO 0010996440, <p>hereinafter the “Bonds” in this section 4.</p>
Issuer	<p>Norwegian Air Shuttle ASA, Norwegian business reg. no. 965 920 358</p>
Bond Trustee	<p>Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85</p> <p>More information about Nordic Trustee AS and their role as bond trustee can be found on https://nordictrustee.com/</p>
Role of the Bond Trustee	<p>The role, rights and obligations of the Bond Trustee are outlined in the Bond Terms, and include, without limitation:</p> <ul style="list-style-type: none"> (a) convening Bondholders’ Meetings under certain conditions (b) acting on behalf of, and/or representing, the Bondholders in all matters, and taking any legal or other action in respect of preserving rights under the Bond Terms (c) the right to demand and receive documents, information and other assistance from the Issuer necessary for the purpose of exercising the Bond Trustee’s rights and/or carrying out its duties as Bond Trustee on behalf of the Bondholders (d) being obliged not to make decisions which would give certain Bondholders an unreasonable advantage at the expense of other Bondholders (e) being indemnified against damage or loss claims from the Bondholders arising out of any action taken or omitted by it under or in connection with the Bond Terms <p>Please refer to the Bond Terms for further information about the rights and obligations of the Bond Trustee</p>
Bond Terms	<p>Based on standard Nordic Bond Terms template for corporate issuers as maintained and published by Nordic Trustee AS, unless as modified by the terms set out herein</p>
Governing law and jurisdiction	<p>Norwegian law and the courts of Norway</p>
Currency	<p>The Bonds are issued in NOK</p>

Registration and ISIN	<p>The Bonds are registered in book entry form in the Norwegian central securities depository, Verdipapirsentralen ASA (“VPS”) with its registered address at Fred. Olsens gate 1, 0152 Oslo, and have the following ISINs:</p> <p>(a) in respect of the first NOK 20,000,000 subscribed for by each creditor (the “Early Conversion Bonds”, ISIN NO 0010996432</p> <p>(b) in respect of any bond that is not an Early Conversion Bonds, ISIN NO 0010996440</p>												
Par value	The Bonds have a Nominal Amount of NOK 1												
Maximum Issue Amount	NOK 1,875,000,000												
Issue Price	100% (par value)												
Issue Date	26 May 2021												
Tenor	<p>The Bonds are perpetual with no mandatory instalments or scheduled maturity date.</p> <p>The Bonds shall only become repayable on an Acceleration Repayment Date.</p>												
Purpose	General corporate purposes of the Group.												
Ranking	The Bonds are fully subordinated to, and rank after all of, the Issuer’s other debt liabilities and any other amounts the Issuer owes to its creditors, but rank prior to the ordinary share capital of the Issuer and pari passu with the most senior ranking class of preference share (if any) in the share capital of the Issuer (subject to the provisions set out opposite “Calculation of Claim” below).												
Security	The Bonds are unsecured												
Interest	<p>The Bonds accrue interest at the percentage rate per annum which is the aggregate of 6-month NIBOR plus a step-up margin as follows:</p> <table border="0"> <tr> <td>Margin:</td> <td>Year 1</td> <td>Years 2-3</td> <td>Years 4-5</td> <td>Years 6-7</td> <td>Year 8+</td> </tr> <tr> <td></td> <td>250bps</td> <td>350bps</td> <td>500bps</td> <td>700bps</td> <td>950bps</td> </tr> </table> <p>The Issuer may, at any time and in its sole discretion, decide that the interest which is otherwise scheduled to be paid shall be capitalised and paid by issuing new bonds on the applicable interest payment date (“PIK Bonds”).</p>	Margin:	Year 1	Years 2-3	Years 4-5	Years 6-7	Year 8+		250bps	350bps	500bps	700bps	950bps
Margin:	Year 1	Years 2-3	Years 4-5	Years 6-7	Year 8+								
	250bps	350bps	500bps	700bps	950bps								
Yield and description of method	Dependent on the market price for the Bonds and the Shares. The Bonds may only provide return if they are sold in the market or converted and sold in the market as Shares, save as set out opposite “Conversion Right Expiry Date” below.												
Conversion Right	<p>Each Bond shall entitle the holder, at any time during the Conversion Period, to convert such Bond at the Conversion Price into new and/or existing ordinary shares of the Issuer with ISIN NO0010196140, credited as fully paid (a “Conversion Right”), and which shares shall carry the same rights as the holders of existing Shares in issue.</p> <p>The settlement date for any such exercise of Conversion Rights shall be 10 Business Days following the business day after the conversion notice is received.</p>												
Conversion Period	With respect to the Early Conversion Bonds, the conversion period commenced on the Issue Date and with respect to any Bond that is not an												

	<p>Early Conversion Bond, the conversion period will commence on the date falling on the second anniversary of the Issue Date, and in each case ending on (and including) the 10th Business Day prior to the earliest of the Conversion Right Expiry Date (as defined below), or (b) any date fixed for redemption of the Bonds, unless there is a default in making any payment in respect of the relevant Bond on such redemption date, in which event the Conversion Right shall extend up to (and including) the date on which the full amount of such payment becomes available.</p> <p>In addition, the Bond shall be convertible into shares during the Change of Control Conversion Period, any Mandatory Offer Conversion Period, any De-Listing Conversion Period or any Tax Event Conversion Period (each as defined below).</p>
<p>Change of Control Conversion Period</p>	<p>Upon the occurrence of a Change of Control Event, provided that such Change of Control Event occurs on or after the date that is six (6) months following the Issue Date, each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder, provided that such Conversion Right is exercised during the period commencing on the date on which a Change of Control Event occurs and ending the earlier of (i) 60 calendar days following such date or, if later, 60 calendar days following the notification of a Change of Control Event and (ii) the Conversion Right Expiry Date.</p> <p>“Change of Control Event” means means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):</p> <ul style="list-style-type: none"> (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. <p>“Decisive Influence” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):</p> <ul style="list-style-type: none"> (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.
<p>Mandatory Offer Conversion Period</p>	<p>Upon the occurrence of an event occurring on or after the date that is sixty (60) days following the Issue Date but prior to 6 months from the Issue Date (the “Initial Period”) that requires a Mandatory Offer to be made, then each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder until the first day of the acceptance period for such Mandatory Offer (the “Mandatory Offer Conversion Period”), provided that such converting Bondholder shall represent to the Issuer that it intends to accept the Mandatory Offer. If a converting Bondholder does not accept the Mandatory Offer, or pursuant to its terms of the Mandatory Offer is not entitled to tender the Shares in the Mandatory Offer, then the converting Bondholder accepts and represents that the Shares received by such</p>

	Bondholder shall be subject to selling restrictions until 3 months after the Initial Period.
De-Listing Conversion Period	Upon the occurrence of a De-Listing Event which occurs following a Change of Control Event, each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder provided that such Conversion Right is exercised during the period commencing on the date on which a De-Listing Event occurs and ending the earlier of (i) 60 calendar days following such date or, if later, 60 calendar days following the notification of a De-Listing Event (and such period shall be the “ De-Listing Conversion Period ”).
Tax Event Conversion Period	In the event that the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds as a result of a change in applicable law implemented after the date of the Bond Terms and the Issuer gives a written notice of its intention to redeem all outstanding bonds at a price equal to 100 per cent of the Nominal Amount (early redemption due to a tax event), each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder provided that such Conversion Right is exercised during the period commencing on the date on which the Issuer has served a written notice of its intention to redeem all outstanding bonds, and ending the earlier of (i) 10 Business Days prior to the Tax Event Repayment Date, and (ii) the Conversion Right Expiry Date (and such period shall be the “ Tax Event Conversion Period ”).
Conversion Right Expiry Date	<p>Pursuant to Norwegian company law, convertible instruments may not be issued with conversion rights in excess of five years, without a subsequent resolution of the shareholders extending the conversion rights. The following mechanism seeks to ensure that the Conversion Rights are extended prior to the date on which the conversion rights expire being, as of the Issue Date, 24 May 2026 (subject to any subsequent extension, the “Conversion Right Expiry Date”), and to compensate Bondholders in the event Conversion Rights are not extended.</p> <p>The Issuer shall propose a resolution to its shareholders, to be made no later than 90 days prior to the Conversion Right Expiry Date, to extend (or authorise the board of directors to extend) the Conversion Period by five years (an “Extension Resolution”).</p> <p>Any Bondholder who is also a shareholder of the Issuer on the date on which the Extension Resolution is voted on at a General Meeting of the Issuer shall vote in favour of the Extension Resolution.</p> <p>From the Conversion Right Expiry Date the Bonds shall accrue interest at 20% p.a., to be capitalised as payment-in-kind interest (in the form of additional Bonds), payable quarterly from the date that is three (3) months following the Conversion Right Expiry Date.</p>
Conversion Price	<p>The “Conversion Price” is NOK 9.39. The Conversion Price shall be subject to adjustment in the circumstances set out opposite “Anti-Dilution Protection” below.</p> <p>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</p>

	<p>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, multiplied by the applicable Fixed Exchange Rate, 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.</p>
Anti-Dilution Protection	<p>Euro-market standard anti-dilution provisions dealing with, inter alia, share consolidations, share splits, distributions, spin-off events, rights issues, bonus issues and reorganisations.</p>
Change of Control Protection	<p>Upon the occurrence of a Change of Control Event, each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder as described above under “Change of Control Conversion Period”. The Bond Terms contain customary information undertakings, including that the Issuer shall inform the Bond Trustee and the Bondholders of, inter alia, a change of control event.</p>
Call Option	<p>The Issuer may redeem all or part of the outstanding Bonds (including, if any, PIK Bonds), together with accrued and unpaid interest (the “Call Option”) on any Business Day from and including:</p> <ul style="list-style-type: none"> a) the fourth anniversary of the Issue Date (the “First Call Date”) to but not including the fifth anniversary of the Issue Date, at a price equal to 103 per cent of the Nominal Amount; and b) the fifth anniversary of the Issue Date, at a price equal to 100 per cent of the Nominal Amount, <p>(the “Call Option”), 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 (the “Call Option Redemption Date”).</p> <p>In the event of any exercise of the Call Option in respect of less than all of the Outstanding Bonds, the Bonds shall be redeemed <i>pro rata</i> among the Bondholders in accordance with the applicable regulations of the CSD.</p>
Transferability	<p>The Bonds are freely transferable in accordance with the rules and regulations governing securities registered in VPS.</p>
General Undertakings	<p>Restrictions on dividend, interest, other distribution or payment in respect of any class of shares of the Issuer or any other obligation of the Issuer which ranks junior to the Bonds at any time while any PIK Bonds remain outstanding.</p> <p>In addition, the Issuer shall use its best commercial endeavours to ensure that on or before 31 December 2030, (i) it has reduced carbon emissions by at least 45% per passenger compared to 2010 levels, and (ii) it is among the leading airlines in the European airline industry in respect of emissions and sustainability.</p>
Event of Default	<p>The Bond Terms do not contain any event of default provisions that would entitle the Bondholders to claim repayment of the Bonds, save for on or after the date on which any order is made or resolution is passed for the final liquidation, final winding-up or final dissolution (or 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) (an “Acceleration Event”), in which event the Bond Trustee may demand, that</p>

	the outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable and/or exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.
Calculation of Claim	The amount of any claim derived from the Bonds due for payment following an Acceleration Event for which notice has been served shall be calculated at the call price (as described under “ Call Option ” above), as applicable at the date when the notice was served, provided that if such date falls prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.
Listing	The Issuer shall apply for listing of the Bonds on the Oslo Stock Exchange on or before the date falling six months after the Issue Date. On 18 August 2021, Norwegian submitted an application for Listing of the Bonds on Oslo Børs. Subject to approval of the Prospectus, the Bonds are expected to be admitted to listing on Oslo Børs on or about 20 August 2021.
Reason for admission to trading	The Bonds were offered to existing creditors of the Company holding claims above NOK 2,500,000 as part of the Capital Raise in connection with the Restructuring. Clause 4 of the Bond Terms provides that the Company shall use its reasonable endeavours to ensure that the Bonds are listed on the Oslo Stock Exchange on or before the date falling six months after the Issue Date.
Taxation	Customary tax gross-up provisions are included in the Bond Terms in relation to payments of redemption amounts in respect of the Bonds Customary provisions are included in the Bond Terms in relation to the liability for stamp duty and other transactional taxes arising on conversion of the Bonds
Subscription Restrictions	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 and Conversion Agent	DNB Bank ASA, with its registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.
Calculation Agent	Conv-Ex Advisors Limited
Market-Making:	No market-maker agreement has been or is expected to be made for this Bond Issue.
Legislation under which the Bonds have been created:	Norwegian law.
Fees and Expenses	The Issuer shall pay any stamp duty and other public fees in connection with the Bonds, but not in respect of trading of the Bonds in the secondary market (except to the extent required by applicable laws), and shall deduct at source any applicable withholding tax payable pursuant to law. Tax deduction and withholding tax shall be subject to standard gross-up and call provisions.

Fees	Prospectus fee (FSA): NOK 60,000 Listing and registration fee (Oslo Stock Exchange): NOK 76,630
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5. INFORMATION CONCERNING THE NAS13 BONDS

The Bond Issue	The Norwegian Air Shuttle ASA senior secured bonds Norwegian Air Shuttle ASA 21/26 ADJ C, ISIN NO 0010996390, hereinafter the “ Bonds ” in this section 5.
Issuer	Norwegian Air Shuttle ASA, Norwegian business reg. no. 965 920 358
Obligors	The Issuer and any Guarantor(s).
Guarantor and Slot Owner	Norwegian Air Norway AS, a company existing under the laws of Norway with registration number 912 084 949 and any other entity becoming a Slot Owner.
Bond Trustee	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85 More information about Nordic Trustee AS and their role as bond trustee can be found on https://nordictrustee.com/
Role of the Bond Trustee	The role, rights and obligations of the Bond Trustee are outlined in the Bond Terms, and include, without limitation: <ul style="list-style-type: none"> (c) convening Bondholders’ Meetings under certain conditions (d) acting on behalf of, and/or representing, the Bondholders in all matters, and taking any legal or other action in respect of preserving rights under the Bond Terms (e) the right to demand and receive documents, information and other assistance from the Issuer necessary for the purpose of exercising the Bond Trustee’s rights and/or carrying out its duties as Bond Trustee on behalf of the Bondholders (f) being obliged not to make decisions which would give certain Bondholders an unreasonable advantage at the expense of other Bondholders (g) being indemnified against damage or loss claims from the Bondholders arising out of any action taken or omitted by it under or in connection with the Bond Terms <p>Please refer to the Bond Terms for further information about the rights and obligations of the Bond Trustee</p>
Bond Terms	Based on standard Nordic Bond Terms template for corporate issuers as maintained and published by Nordic Trustee AS, unless as modified by the terms set out herein
Governing law and jurisdiction	Norwegian law and the courts of Norway
Currency	The Bonds are issued in NOK
Registration and ISIN	The Bonds are registered in book entry form in the Norwegian central securities depository, Verdipapirsentralen ASA (“ VPS ”) with its registered address at Fred. Olsens gate 1, 0152 Oslo, and have the following ISIN NO 0010996390

Par value	The Bonds have a Nominal Amount of NOK 1																
Maximum Issue Amount	NOK 750,000,000																
Issue Price	100% (par value)																
Issue Date	26 May 2021																
Maturity Date	Five (5) years after the Issue Date																
Amortisation	<p>The Bonds shall be repaid by the Issuer in instalments (pro rata and in accordance with the waterfall provision) as follows:</p> <table border="1"> <thead> <tr> <th>Payment Date</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>30 days from the Effective Date</td> <td>NOK 50,000,000</td> </tr> <tr> <td>One year from the Issue Date</td> <td>NOK 125,000,000</td> </tr> <tr> <td>Two years from the Issue Date</td> <td>NOK 125,000,000</td> </tr> <tr> <td>Three years from the Issue Date</td> <td>NOK 125,000,000</td> </tr> <tr> <td>Four years from the Issue Date</td> <td>NOK 125,000,000</td> </tr> <tr> <td>Maturity Date</td> <td>NOK 200,000,000</td> </tr> <tr> <td>Sum</td> <td>NOK 750,000,000</td> </tr> </tbody> </table>	Payment Date	Amount	30 days from the Effective Date	NOK 50,000,000	One year from the Issue Date	NOK 125,000,000	Two years from the Issue Date	NOK 125,000,000	Three years from the Issue Date	NOK 125,000,000	Four years from the Issue Date	NOK 125,000,000	Maturity Date	NOK 200,000,000	Sum	NOK 750,000,000
Payment Date	Amount																
30 days from the Effective Date	NOK 50,000,000																
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Two years from the Issue Date	NOK 125,000,000																
Three years from the Issue Date	NOK 125,000,000																
Four years from the Issue Date	NOK 125,000,000																
Maturity Date	NOK 200,000,000																
Sum	NOK 750,000,000																
Purpose	General corporate purposes of the Group																
Ranking	<p>The Bonds, including any accrued interest and any other amounts due in respect of the Bonds, will constitute senior debt obligations of the Issuer.</p> <p>The Bonds will rank <i>pari passu</i> between themselves and will rank at least <i>pari passu</i> 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).</p>																
Security	<p>The Bonds are secured by the following security in favour of the Bond Trustee with first priority:</p> <ul style="list-style-type: none"> (h) the Share Charge covering 100% of the shares in the Slot Owner at any time; (i) assignment by way of security over any receivables (current or future) between the Slot Owner and any other member of the Group provided the aggregate receivable between each two such parties is in excess of NOK 10,000,000 and expected to be outstanding for more than 3 months; (j) the Excess Slot Disposal Proceeds Account Pledge; and (k) the Ordinary Slot Disposal Proceeds Account Pledge (together the “Pledged Accounts”). 																

Interest Rate	The percentage rate per annum which is the aggregate of the Reference Rate plus the Margin. No interest shall accrue on the Bonds from and including the Issue Date until 1 June 2023.
Margin	2.00 per cent
Reference Rate	6-month NIBOR (zero floor)
Interest Payment Date	The last day of each Interest Period, the first Interest Payment Date being 1 December 2023 and the last Interest Payment Date being the Maturity Date.
Default Interest	Interest Rate plus 2 percentage points p.a.
Yield and description of method	Depending on the market price for the Bonds in the secondary market at the time of purchase, which is dependent on the development in the bond market in general and the development of the Issuer. The price of the Bonds may increase (above 100% of par) or decrease (below 100% of par).
Put Option	<p>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 unless the settlement date for such Put Option occurs three Business Days before Maturity Date or later. The settlement of the Put Option will be based on each Bondholders holding of Bonds at that day.</p> <p>“Material Disposal Event” means an event where the Issuer no longer owns (directly or indirectly) more than 50% of the shares in Arctic Aviation Assets Limited, a company existing under the laws of Ireland with business registration number 531191.</p> <p>“De-Listing Event” means an event where the Issuer’s shares are de-listed from Oslo Børs.</p> <p>“Change of Control Event” means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.</p>
Call Option	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.
Information Undertakings	The Bond Terms contain customary information undertakings, including that the Issuer shall inform the Bond Trustee and the Bondholders of, inter alia, a put option event.
General Undertakings	<p>The Bond Terms contain customary undertakings, including a restrictions on dividend, interest, other distribution or payment in respect of any class of shares of the Issuer or any other obligation of the Issuer which ranks junior to the Bonds.</p> <p>In addition, the Issuer shall use its best commercial endeavors to ensure that on or before 31 December 2030, (i) it has reduced carbon emissions by at least 45% per passenger compared to 2010 levels, and (ii) it is among the leading airlines in the European airline industry in respect of emissions and sustainability.</p>

<p>Slot Owner Covenants</p>	<p><u>Disposals</u></p> <p>Restrictions on disposal of Slots and an obligation for the Issuer to procure that the Slot Owner credits the Pledged Accounts with cash proceeds received by the Slot Owner arising from the sale, trade, swap or other disposal of the Slot Owner's Slots (after deducting reasonable expenses, tax in respect of such disposal and any deferred consideration).</p> <p>Amounts standing to the credit of the Ordinary Slot Disposal Proceeds Account may only be applied towards investments in the Slots or to redeem the Bonds at a price corresponding to the then prevailing Call Option price in respect of such Bonds. Amounts standing to the credit of the Excess Slot Disposal Proceeds Account may only be applied to redeem the Bonds at a price corresponding to the then prevailing Call Option price in respect of such Bonds.</p> <p><u>Financial support</u></p> <p>Restrictions on financial support (including guarantees, third party security etc.).</p> <p><u>Collateralisation of pension deficits</u></p> <p>Obligation for the Issuer to at all times cover pension deficits in NAN.</p> <p><u>Slot Owner governance</u></p> <p>The Issuer shall procure that the board of directors of the Slot Owner at all times holds at least one board member which is not employed by or affiliated with the Group, such board member to be approved by the Bond Trustee.</p> <p><u>Slot Valuation</u></p> <p>A Slot Valuation Report to be delivered annually with reference to values on 30 June that year.</p> <p><u>Status as an air carrier</u></p> <p>The Issuer shall procure that the 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</p> <p><u>Temporary Operating Licence</u></p> <p>Obligation to promptly commences preparation of all necessary information and takes all necessary steps to apply to the Norwegian Civil Aviation</p> <p>Authority for a 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.</p> <p><u>Intragroup Services Agreements</u></p>
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	<p>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.</p> <p><u>Status of the Slots</u></p> <p>The Slot Owner shall retain ownership of all Slots at London Gatwick Airport, save that the Slot Owner may sell trade, swap or otherwise dispose of Slots under certain circumstances as described in the Bond Terms.</p>
Slot Owner Financial Covenants	<p><u>Slot Owner Financial Indebtedness</u></p> <p>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:</p> <p>(i) amounts arising in relation to intra-group aircraft leasing; and</p> <p>(ii) receivables between the Slot Owner and any other member of the Group, provided that any receivable constituting an Intercompany Claim shall be assigned or pledged in favour of the Bond Trustee or the Security Agent to secure the obligations of the Issuer under any Finance Document.</p> <p><u>Minimum liquidity</u></p> <p>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).</p>
Transferability	<p>The Bonds are freely transferable in accordance with the rules and regulations governing securities registered in VPS.</p>
Event of Default	<p>Standard Event of Default provisions applicable to the Issuer and the obligors, including non-payment, breach of other obligations, misrepresentations, insolvency and insolvency proceedings, unlawfulness, cross default and creditor's process with a cross default threshold of NOK 75 million.</p> <p>The event of default provision includes a carve-out with respect to cross default, creditor's process and insolvency and insolvency proceedings insofar as they relate to any company within the Group which is not an Obligor and which is Insolvent or is likely to become Insolvent due to the events contemplated in any Scheme.</p>
Calculation of Claim	<p>The claim derived from the outstanding bonds due for payment as a result of the serving of a default notice will be calculated at the call prices set out above, as applicable at the following dates:</p> <p>(a) for any Event of Default arising out of a breach of non-payment, the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and</p> <p>(b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the default notice was served by the Bond Trustee.</p>

	<p>However, if the situations described in (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.</p>
Listing	<p>The Issuer shall ensure that the Bonds are listed on the Oslo Stock Exchange no later than the date falling 6 months after the Issue Date. On 18 August 2021, Norwegian submitted an application for Listing of the Bonds on Oslo Børs. Subject to approval of the Prospectus, the Bonds are expected to be admitted to listing on Oslo Børs on or about 20 August 2021.</p>
Reason for admission to trading	<p>In connection with the Restructuring and pursuant to a summons for written resolutions dated 12 March 2021 in respect of NAS07 and NAS08 (the “Summons”), NAS07 and NAS08 was (i) converted to NOK and written down to NOK 750,000,000, and (ii) the existing bond agreements for the NAS07 bond issue dated 9 December 2015 (as amended) and for the NAS08 bond issue dated 7 February 2017 (as amended) made between the Bond Trustee and the Issuer was be combined and amended to reflect the terms set out in schedule 1 to the Summons.</p> <p>Pursuant to Clause 4 of the Bond Terms, the Issuer shall ensure that the Bonds are listed on an exchange no later than the date falling 6 months after the Issue Date.</p>
Taxation	<p>Customary tax gross-up provisions are included in the Bond Terms in relation to payments of redemption amounts in respect of the Bonds</p> <p>Customary provisions are included in the Bond Terms in relation to the liability for stamp duty and other transactional taxes arising on conversion of the Bonds</p>
Subscription Restrictions	<p>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</p>
Paying and Conversion Agent	<p>DNB Bank ASA, with its registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.</p>
Market-Making	<p>No market-maker agreement has been or is expected to be made for this Bond Issue.</p>
Legislation under which the Bonds have been created:	<p>Norwegian law.</p>
Fees and Expenses	<p>The Issuer shall pay any stamp duty and other public fees in connection with the Bonds, but not in respect of trading of the Bonds in the secondary market (except to the extent required by applicable laws), and shall deduct at source any applicable withholding tax payable pursuant to law. Tax deduction and withholding tax shall be subject to standard gross-up and call provisions.</p>
Fees	<p>Prospectus fee (FSA): NOK 60,000 Listing and registration fee (Oslo Stock Exchange): NOK 87,400</p>

6. LIQUIDITY AND CAPITAL RESOURCES

6.1 Capitalisation and indebtedness

6.1.1 Introduction

The section provides information about the Company's audited consolidated capitalisation and net financial indebtedness on an actual basis as of 31 December 2020 and, in the "As adjusted" column, the Company's unaudited consolidated capitalization and net financial indebtedness as of the date of the Securities Note adjusted for the following significant transactions that happened between 31 December 2020 and the date of this Securities Note that are not subject to the Listing, and on an adjusted basis to show the estimated effects of the conversion of the Dividend Claim to shares subject to the Listing as if it had happened as of the date of the Securities Note.

Adjustments for significant transactions and events between 31 December 2020 and the date of the Securities, not subject to the Listing:

- The conversion of debt to equity, the capital reduction, with effect as of 19 February 2021 in which the nominal value of each share was reduced from NOK 10 to NOK 0.1 per share and the conversion of Zero-coupon perpetual bonds classified as equity to shares.
- The Capital Raise of NOK 5,873 million in net proceeds completed in May 2021.
- The effects of the restructuring on the outstanding secured debt in May 2021, as further described below.
- The effects of the restructuring on the outstanding unsecured debt in May 2021, as further described below.

Adjustments for the transaction subject to the Listing

- The estimated effects of the conversion of the Dividend Claim to shares as if it had happened as of the date of this Securities Note.

The adjustment related to the conversion of the Dividend Claim to shares are based upon an assumption that 100% of the creditors in the outstanding Dividend Claim decide to convert their claim to shares.

Other than the abovementioned adjustments, the Company has not quantified and identified further adjustments until the date of the Securities Note, for the purpose of this section 6.1 "Capitalisation and Indebtedness".

6.1.2 Capitalisation

	As of 31 December 2020 ^{a)}	Adjustment for the conversion of debt to equity, the capital reduction and the conversion of Zero coupon perpetual bonds to shares not subject to the Listing 1)	Adjustments for the Offering in May 2021 not subject to the Listing 2)	Adjustment for the restructuring effect on secured Debt in May 2021 not subject to the Listing 3)	Adjustment for the restructuring effect on Unsecured Debt in May 2021 not subject to the Listing 4)	Adjustment for the estimated effects of the conversion of the Dividend Claim to shares subject to the Listing 5)	As Adjusted
<i>(In NOK million)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Indebtedness							
<i>Total current debt:</i>							
Guaranteed ^{b)}	2,989.0	-	(2,989.0)	-	-	-	-
Secured ^{c)}	39,276.9	-	(270.2)	(33,390.0)	-	-	5,616.7
Unguaranteed / Unsecured ^{d)}	11,232.5	(274.8)	(490.8)	-	(5,806.4)	-	4,660.5
<i>Total non-current debt:</i>							
Guaranteed							
Secured ^{e)}	185.7	-	-	750.0	-	-	935.7
Unguaranteed /Unsecured ^{f)}	2,493.8	-	3,750.0	-	261.8	(1,600.0)	4,905.6
Total indebtedness	56,177.9	(274.8)	-	(32,640.0)	(5,544.6)	(1,600.0)	16,118.5
Shareholder's equity							
Share capital	397.5	(392.7)	65.9	-	-	23.4	94.1
Share premium	18,805.1	761.3	3,932.1	-	-	1,576.6	25,075.1
Other equity ^{g)}	(25,826.4)	(93.8)	1,875.0	-	3,737.6	-	(20,307.7)
Total equity	(6,623.9)	274.8	5,873.0	-	3,737.6	1,600.0	4,861.5
Total capitalization	49,554.0	-	5,873.0	(32,640.0)	(1,807.0)	-	20,980.0

Notes to the capitalisation table:

- Figures are derived from Norwegian's Annual Financial Statements 2020.
- Represent the current loans guaranteed by the Norwegian State.
- Represent the secured part of current debt and includes Aircraft financing with NOK 15,661.2 million secured on aircraft and Lease liabilities with NOK 15,106.6 million secured on aircraft, both included in the financial line item Liabilities included in disposal group classified as held for sale, Aircraft financing with NOK 3,812.0 million secured on aircraft, current part of Lease liabilities with NOK 3,165.4 million which is secured on aircraft, Bonds with NOK 1,531.6 million secured in slots at Gatwick, a ground lease agreement in respect of a hangar at Gardermoen and shares in the subsidiary Arctic Aviation Assets DAC, all amounts included in the financial line-item Current debt.
- Represent the unsecured and unguaranteed part of current liabilities and includes Air traffic settlement liabilities of NOK 401.5 million, Other current debt of NOK 437.2 million not included above and Other current liabilities of NOK 10,393.8 million.
- Represent the secured part of non-current liabilities and includes Lease liabilities with NOK 185.7 million secured on aircraft classified as Non-current debt.
- Represent the unsecured and unguaranteed part of non-current liabilities of NOK 2,493.8 million included in the financial line-item Other non-current liabilities.

- g. Other equity comprises Other paid-in equity with NOK 943.5 million, Other reserves with NOK 112.8 million and Retained earnings with negative NOK 26,882.7 million, all amounts included in the financial line-item Shareholder's Equity.

The adjustments in the table above have been made for the following transactions between 31 December 2020 to the date of this Securities Note not subject to the Listing

1. The conversion of debt to equity, the capital reduction, with effect as of 19 February 2021 in which the nominal value of each share was reduced from NOK 10 to NOK 0.1 per share and the conversion of Zero-coupon perpetual bonds classified as equity to shares:
 - The decrease in Unguaranteed/ Unsecured current debt of NOK 274.8 million reflects the conversion of debt. The effect is a reduction of current unsecured debt of NOK 274.8 million with a corresponding increase in Share capital of NOK 0.1 million, share premium of NOK 41.1 million and the profit effect included in Other equity of NOK 233.7 million.
 - The adjustment of the Share capital and the Share premium reflects the capital reduction, with effect as of 19 February 2021 in which the nominal value of each share was reduced from NOK 10 to NOK 0.1 per share. The effect is a reduction on Share capital of NOK 393.5 million with a corresponding increase in Other Equity.
 - The total equity increases of NOK 274.8 million is split between Share capital reduction of NOK 392.7 million, share premium increase of NOK 761.3 million and Other equity reduction of NOK 93.8 million. Increased Share capital represents the nominal value of shares issued to convert debt and zero-coupon perpetual bonds, less the effects of the capital reduction. The Share premium increase represents mainly the conversion of zero-coupon perpetual bonds classified as equity. The decrease in Other equity represents the difference between the book value of extinguished debt and the fair value of shares issued, plus the effects of the capital reduction and perpetual bond conversion.

2. The Offering and raise of NOK 5,873 million in net proceeds in May 2021:
 - The adjustment reflects that the subscription in Offering and New Capital Perpetual Bond give rise to a 200% Retained Claim Bond which replaced the current outstanding debt and is reflected as a reduction in book value of Guaranteed current debt with NOK 2,989 million, Secured current debt with NOK 270.2 million and Unsecured current debt with NOK 490.8 million with a corresponding increase in Unsecured non-current debt with NOK 3,750 million as the new bond.
 - The adjustment reflects further the effect of the Offering of Shares in May 2021 with an increase in Cash (NOK 3,998,0 million) with a corresponding increase in share capital with NOK 65.9 million, share premium with NOK 3,932.1 million based upon the issue of 659 million number of Offer Shares at a subscription price per Offer Share of NOK 6.26, net of transaction cost of NOK 127 million and with nominal value per Share of NOK 0.1. The offering of New Capital Perpetual Bonds completed in May 2021 is reflected as an increase in Cash (NOK 1,875 million) and an increase in Other paid-in-equity with NOK 1,875 million.

3. The Restructuring effect on Secured Debt in May 2021
The decrease of NOK 33,390.0 million to secured current debt consist of:
 - a decrease of NOK 30,767.8 million related to the rejected leased and owned aircraft and related liabilities classified as Assets and Liabilities included in the financial line items Disposal Groups classified as held for sale with a reduction in the book value of secured current liabilities of NOK 15,661.2 million in Aircraft financing and NOK 15,106.6 million in Lease liabilities with a corresponding decrease in Assets classified as held for sale.
 - a decrease of NOK 750 million corresponding to mainly Bonds NAS 07 and NAS 08 (replaced by the new Secured Bond NAS 13)

- a decrease of NOK 1,872.2 million corresponding to the book value of aircraft financing and lease liabilities with a corresponding adjustment to the book value of Aircraft and Right-of-use aircraft.

The increase in Secured non-current debt of NOK 750.0 million reflects the new Secured Bond NAS 13 replacing NAS 07 and NAS 08 with the same security.

4. The Restructuring effect on Unsecured Debt in May 2021

The unsecured claims of Creditors, including customer Creditors, received a pro rata cash dividend from the fixed amount of NOK 500 million in Cash Pot and 5% of their Net Agreed Debt (after deducting the amount of the cash dividend) converted into a Dividend Claim.

This is reflected as a reduction in the book value of Unguaranteed and Unsecured current debt of NOK 5,806.4 million, a corresponding reduction in cash (NOK 500 million) and Other assets (NOK 1,307.0 million), a net increase in the book value of Unsecured non-current debt of NOK 261.8 million (representing the net of the new Dividend claim of NOK 1,600.0 million and a reduction in the book value of old claims of NOK 1,338,2 million) and a resulting increase in Other equity of NOK 3,737.6 million representing the net income effect.

Adjustment for the estimated effects of the conversion of the Dividend Claim to shares subject to the Listing

5. The adjustment reflects a 100% reduction of the Dividend Claim debt with NOK 1,600 million, with corresponding increase in equity. The total equity increase of NOK 1,600 million is split between Share capital increase of NOK 23.4 million and Share premium increase of NOK 1,576.6 million. Increased Share capital represents the nominal value of 233,5 million shares issued. The Share premium increase represents the book value of converted debt less the nominal value of the shares issued.

6.1.3 Net financial indebtedness

	As of 31 December 2020 ^{a)}	Adjustment for the conversion of debt to equity, the capital reduction and the conversion of Zero coupon perpetual bonds to shares not subject to the Listing 1)	Adjustments for the Offerings in May 2021 not subject to the Listing 2)	Adjustment for the restructuring effect on secured Debt in May 2021 not subject to the Listing 3)	Adjustment for the restructuring effect on Unsecured Debt in May 2021 not subject to the Listing 4)	Adjustment for the estimated effects of the conversion of the Dividend Claim to shares subject to the Listing 5)	As Adjusted
<i>(In NOK million)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
(A) Cash ^{b)}	2,646.2	-	5,873.0	(390.7)	(500)		7,628.4
(B) Cash equivalents ^{c)}	20.8	-	-	-	-		20.8
(C) Trading securities							
(D) Liquidity (A)+(B)+(C)	2,666.9	-	5,873.0	(390.7)	(500)		7,649.2
(E) Current financial receivables							
(F) Current bank debt							
(G) Current portion of non-current debt							
(H) Other current financial debt ^{d)}	42,703.1	(274.8)	(3,750.0)	(33,390.0)	-		5,288.2
(I) Current financial debt (F)+(G)+(H)	42,703.1	(274.8)	(3,750.0)	(33,390.0)	-		5,288.2
(J) Net current financial indebtedness (I)-(E)-(D)	40,036.2	(274.8)	(9,623.0)	(32,999.3)	500		(2,361.0)
(K) Non-current bank loans							
(L) Bond issued	-	-	3,750.0	750	-		4,500.0
(M) Other non-current debt ^{e)}	185.7	-	-	-	1,600	(1,600.0)	185.7
(N) Non-current financial indebtedness (K)+(L)+(M)	185.7	-	3,750.0	750	1,600	(1,600.0)	4,685.7
(O) Net financial indebtedness (J)+(N)	40,221.8	(274.8)	(5,873.0)	(32,249.3)	2,100.0	(1,600.0)	2,324.7

Notes to the net financial indebtedness table:

- Figures are derived from Norwegian's Annual Financial Statements 2020. Only interest-bearing debt has been included. Accordingly, amounts related to tax liabilities, trade payables, employee benefit obligations, provisions and other non-interest-bearing liabilities are not included in the amounts in the table above.
- Represent Cash included in the financial line-item Cash and cash equivalents and includes NOK 906.1 million in restricted cash.
- Represent Cash equivalents included in the financial line-item Cash and cash equivalents and includes Deposits in money market funds with underlying maturity of 3 months or less.
- Represent the financial line items Current debt and Liabilities included in disposal group classified as held for sale, and includes Disposal Group aircraft financing with NOK 15,661.2 million, Disposal Group lease liabilities with NOK 15,106.6 million, Aircraft financing with NOK 3,812.0 million, current part of Lease liabilities with NOK 3,165.4 million, loans with state guarantee with NOK 2,989.0 million, Bonds with NOK 1,531.6 million and other current debt of NOK 437.2 million.
- Represent the financial line item Non-current debt and includes non-current lease liabilities with NOK 185.7 million.

The adjustments in the table above have been made for the following transactions between 31 December 2020 to the date of this Securities Note not subject to the Listing:

1. The conversion of debt to equity.

The adjustment reflects the conversion of debt with a book value of NOK 274.8 million to equity. The effect is a reduction of current unsecured debt of NOK 274.8 million with a corresponding increase in equity including the profit effect included in other equity.

2. The Offering and raise of NOK 5,873 million in net proceeds in May 2021 and related effects:

The increase in cash with NOK 5,873 million represent the net cash effect of the Offering of Shares in May 2021 with NOK 3,998.0 million and New Capital Perpetual Bonds with NOK 1,875 million. The cash effect of the Offering of Shares is based upon the issues of 659 million number of Offer Shares at a subscription price per Offer Share of NOK 6.26, net of transaction cost of NOK 127 million and with nominal value per Share of NOK 0.1.

The decrease in Other current financial debt of NOK 3,750 million with a corresponding increase in Bonds issued reflect that the subscription in the Offering of Shares and the New Capital Perpetual Bond gave rise to a 200% Retained Claim Bond replacing current financial debt with a new bond.

3. The Restructuring effect in Secured debt in May 2021

The decrease in cash with NOK 390.7 million reflects estimated cost to dispose assets held for sale in the disposal group.

The decrease in Other current financial debt of NOK 33,390.0 million is comprised of:

- a decrease in the book value of leased and owned aircraft related liabilities of NOK 30,767.8 million included in the line-item Disposal Groups classified as held for sale.
- a decrease in the book value of NOK 750.0 million mainly related to the Bonds NAS 07 and NAS 08 included in the financial line-item Current debt (replaced by the new Secured Bond NAS 13
- a decrease in the book value of aircraft financing and lease liabilities of NOK 1,872.2 million (with a corresponding adjustment in Total assets related to the book value of Aircraft and Right-of-use aircraft).

The increase in Bond Issued of NOK 750.0 million reflects the new Secured Bond NAS 13 replacing NAS 07 and NAS 08 with the same security.

4. The Restructuring effect on Unsecured debt in May 2021

The unsecured claims of Creditors, including Customer Creditors, received a pro rata cash dividend from the fixed amount of NOK 500 million in Cash Pot and 5% of their Net Agreed Debt (after deducting the amount of the cash dividend) converted into a Dividend Claim. This is reflected as a reduction in Cash with NOK 500 million and an increase in Other non-current debt of NOK 1,600 million to reflect the new Dividend Claim.

Adjustment for the estimated effects of the conversion of the Dividend Claim to shares subject to the Listing

The adjustment reflects a 100% reduction of the Dividend Claim debt of NOK 1,600 million, with corresponding increase in equity (of NOK 1,600 million).

6.1.4 Contingent and other liabilities

The following items are regarded as contingent and other liabilities:

- Operating leases and related commitments (see further information about leases in Section 11.2 "Material contracts which NAS is dependent on in its ordinary course of business" in the Registration Document).

In NOK millions, nominal values	31 December 2020	31 December 2019	31 December 2018
Within one year	12.4	12.6	5,244.1
Between 1 and 5 years	4.5	21.5	18,358.4
After 5 years	-	5.5	17,687.2
Total lease commitments	16.9	36.9	41,289.7

- Tax issues - see further information in section 11.1.3 "Reassessment from the Norwegian Tax authorities" in the Registration Document, as supplemented by the Supplemental Registration Document.
- As stated in section 4.7 of the Registration Document, the Company has emerged from an Examinership under Irish law and a Reconstruction process under Norwegian law, on 26 May 2021. This entails, inter alia, that the Company was protected from creditors seeking coverage while the processes were ongoing, and that all claims occurred before the proceedings were opened is reduced, as further set out in the Restructuring Proposal. It is possible that some creditors attempt to pursue past dues in full by not acknowledging foreign insolvency proceedings, which may have an adverse effect on the Company, including, inter alia, costs incurred in resolving such claims.

Other than as stated above, the Company is not aware of any material liability, direct or indirect, actual or contingent.

6.2 Working Capital Statement

The Company is of the opinion that the working capital available to the Group is sufficient to meet the Group's present requirements for the period covering at least 12 months from the date of this Securities Note.

7. SECURITIES TRADING IN NORWAY

The following description includes certain information concerning Norwegian law and regulations in effect as of the date of this Securities Note. This summary does not intend to be complete and is qualified in its entirety by prevailing Norwegian law and regulations.

7.1 Introduction

As a company listed on Oslo Børs, the Company is subject to certain duties to inform the market under the Norwegian Securities Trading Act as well as Oslo Børs obligations applicable to stock exchange listed companies, and the market abuse and trading rules in chapter 3 of the Norwegian Securities Trading Act. Furthermore, the Company is subject to Norwegian securities regulations and supervision by the relevant Norwegian authorities.

7.2 Trading and settlement

Official trading on Oslo Børs takes place between 09:00 (CET) and 16:20 (CET) each trading day.

The settlement period for trading on Oslo Børs/Euronext Expand is two trading days (T+2). This means that securities will be settled on the investor's account in VPS two days after the transaction, and that the seller will receive payment after two days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA, or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in another EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this under the Norwegian Securities Trading Act, or, in the case of investment firms in another EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. Such market-making activities do not as such require notification to the Norwegian FSA or Oslo Børs, except for the general obligation of investment firms that are members of Oslo Børs to report all trades in stock exchange listed securities.

7.3 Information, control and surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, having implemented the EU Market Abuse Directive, a company that is listed on a Norwegian regulated market, or that has filed an application for listing on such market, must promptly release any inside information (i.e., precise information about financial instruments, the Company thereof, or other matters that are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and that are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

7.4 The VPS and transfer of Shares

The Company's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralized securities register. It is a computerized bookkeeping system in which the ownership of, and all transactions

relating to, Norwegian listed shares must be recorded. The VPS and Oslo Børs are both wholly owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is as a general rule prima facie evidence in determining the legal rights of parties as against the issuing company or any third-party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, by the relevant company's general meeting, or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control, of which the VPS could not reasonably be expected to avoid or overcome the consequences. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

7.5 Shareholder register

Under Norwegian law, shares are registered in the name of the owner of the shares. As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, shares may be registered with the VPS in the name of a depositary (bank or other nominee) approved by the Norwegian FSA, to act as nominee for non-Norwegian shareholders. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In the case of registration by nominees, registration with the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote at general meetings on behalf of the beneficial owners. Beneficial owners must register with the VPS or provide other sufficient proof of their ownership to the shares in order to vote at general meetings.

7.6 Foreign investment shares listed in Norway

Non-Norwegian investors may trade shares listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or non-Norwegian.

7.7 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in the EU Market Abuse Regulation Article 7. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

7.8 Mandatory offer requirement

Pursuant to the Norwegian Securities Trading Act, any person or entity acting in concert that acquires shares representing more than 1/3 (with a repeated obligation at 40 percent and at 50 percent) of the voting rights of a Norwegian company whose shares are listed on Oslo Børs or Oslo Axess is obliged to make an unconditional

general offer for the purchase of the remaining shares in the company within four weeks or, within the same period, dispose of a number of voting shares which brings the percentage of voting rights down to or below 1/3.

The shareholder must, immediately upon reaching any of the said thresholds, notify the company and Oslo Børs accordingly and of whether it will make a mandatory offer or perform a sell-down. A notice informing about a disposal can be altered to a notice of making an offer within the four-week period, while a notice stating that the shareholder will make an offer cannot be amended and is thus binding. The mandatory offer obligation ceases to apply if the person or entity notifies the company and Oslo Børs of its decision to sell down and then sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

An offer must be reflected in an offer document which is subject to approval by Oslo Børs before submission of the offer document to the shareholders or made public. The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror in the six-month period prior to the date the 1/3 threshold was exceeded, but at least equal to the market price, if it is clear that the market price was higher when the mandatory offer obligation was triggered. Note, however, that the EFTA Court in a statement dated 10 December 2010 has concluded that the "market price" alternative is not in compliance with EU regulations. Consequently, there is currently doubt as to the legal validity of this alternative. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be unconditional and in cash (NOK), but it may contain a consideration alternative at least equivalent to the cash consideration offered. Until an offer has been made or a disposal completed, the shareholder will have no voting rights or other rights relating to the shares exceeding the offer threshold, apart from the right to receive dividends and pre-emption rights in the event of a share capital increase. In case of the failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction.

Any person or entity that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and that has, therefore, not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

It was announced on 12 April 2018 that IAG had acquired 4.61 percent of the Shares in NAS, and that IAG was considering to make an offer for all the Shares in the Company. Subsequently, the Company received enquiries from several parties who expressed interest for structural transactions, financing of the Company and various forms of operational and financial cooperation. On 24 January 2019, IAG announced that it did not intend to make an offer for the Company and that, in due course, it will be selling its shareholding in the Company. As of the date of this Securities Note, the Company is not aware of any party intending to make an offer for all the Shares in the Company.

7.9 Compulsory acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing more than 90 percent of the total number of issued shares in a Norwegian public limited liability company, as well as more than 90 percent of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition, the majority shareholder becomes the owner of the remaining shares with immediate effect.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. Should any minority shareholder not accept the offered price, such a minority shareholder may, within a specified deadline not to be of less than two months' duration, request that the price be set by the Norwegian courts.

Absent such request or other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the two-month deadline.

In event a shareholder, directly or through subsidiaries, exceeds the 90 percent threshold by way of a mandatory offer in accordance with the Norwegian Securities Trading Act, and a compulsory acquisition is resolved within three months, then the share price in the compulsory acquisition shall be equal to the price in the mandatory offer if no special circumstances call for a different price. Further, if the 90 percent threshold is exceeded by way of a voluntary offer, the compulsory acquisition may, subject to certain conditions, be carried out without such shareholder being obliged to make a mandatory offer, including: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution according to the rules for mandatory offers.

7.10 Disclosure obligations

A person, entity or bank acting in concert that acquires shares, options for shares or other rights to shares (inter alia convertible loans or subscription rights) resulting in its beneficial ownership, directly or indirectly, in the aggregate meeting or exceeding the respective thresholds of 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 1/3, 50 percent, 2/3 or 90 percent of the share capital or the voting rights in the Company has an obligation under Norwegian law to notify Oslo Børs immediately. The same applies to disposal of shares, option for shares etc., resulting in a beneficial ownership, directly or indirectly, in the aggregate meeting or falling below said thresholds.

The reporting obligations will also apply if the thresholds are reached or passed as a result of events changing the relative ownership or voting stake by "passive" means e.g. if a company is increasing its share capital and thereby causes an existing shareholder not participating in the capital increase to be diluted.

8. TAXATION

8.1 Introduction

Set out below is a summary of certain Norwegian tax matters related to an investment in the Company. The summary regarding Norwegian taxation is based on Norwegian laws, rules, and regulations in force in Norway as at the date of this Securities Note, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis. The summary does not address foreign tax laws.

The following summary is of a general nature and does not purport to be a comprehensive description of all Norwegian tax considerations that may be relevant for a decision to acquire, own or dispose of Shares and/or the Bonds. Investors who wish to clarify their own tax situation should consult with and rely upon their own tax advisers, as the tax legislation in Norway and, if different, in the jurisdiction in which the investor is resident for tax purposes may have an impact on the income received from the Shares or the Bonds. Investors resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or Non-Norwegian shareholder refers to the tax residency rather than the nationality of the investor.

8.2 Taxation of the Shares

8.2.1 Norwegian Shareholders - taxation of dividends

Norwegian Individual Shareholders

Dividends received by shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Individual Shareholders**") are taxable as ordinary income for such shareholders at a flat rate of currently 31.68 percent (the nominal rate is 22 percent but the taxable income is multiplied with a factor of 1.44) to the extent the dividend exceeds a tax-free allowance.

The allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate after tax of interest on treasury bills ("**statskasseveksler**") with three months' maturity. The allowance is calculated for each calendar year, and it is allocated solely to Norwegian Individual Shareholders holding shares at the expiration of the relevant income year.

Norwegian Individual Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("**Excess Allowance**") may be carried forward and set off against future dividends received on, or gains upon realization of, the same share. Any excess allowance will also be included in the basis for calculating the allowance on the same share in the following years.

Norwegian Individual Shareholders may hold their shares through a share savings account (Nw.: *Aksjesparekonto*). Dividends and capital gains related to shares held through a share savings account are not taxed until withdrawn from the account. Withdrawals from the account are only subject to tax to the extent that the withdrawal amount exceeds the amount deposited into the account by the Shareholder. The exceeding amount is taxed as ordinary income at a flat rate of currently 31.68 percent. The rules regarding tax-free allowance also apply to shares held through a share savings account.

Norwegian Corporate Shareholders

Dividends received by shareholders that are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are effectively taxed at a rate of 0.66 percent (3 percent of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and subject to tax at a flat rate of currently 22 percent). For Norwegian

Corporate Shareholders that are considered to be financial institutions (e.g. banks etc.) the applicable effective tax rate is 0.75 percent (3 percent of dividend income is subject to tax at the flat tax rate for financial institutions of currently 25 percent).

8.2.2 Norwegian Shareholders - taxation of capital gains on realization of shares

Norwegian Individual Shareholders

Sale, non-proportionate redemption, or other disposals of shares is considered as realization for Norwegian tax purposes. A capital gain or loss derived by a Norwegian Individual Shareholder through realization of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the shareholder's ordinary income in the year of disposal and taxable at an effective rate of 31.68 percent (the nominal rate is 22 percent but the taxable income or deductible loss is multiplied with a factor of 1.44).

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share, as the difference between the consideration for the share and the Norwegian Individual Shareholder's cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. From this capital gain, Norwegian Individual Shareholders are entitled to deduct any Excess Allowance, cf. section 8.2.1 above. Any Excess Allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e., any Excess Allowance exceeding the capital gain upon the realization of a share will be annulled.

If the Norwegian Individual Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Norwegian Individual Shareholders may hold their shares through a share savings account (Norwegian: Aksjesparekonto). Dividends and capital gains related to shares held through a share savings account are not taxed until withdrawn from the account. Withdrawals from the account are only subject to tax to the extent that the withdrawal amount exceeds the amount deposited into the account by the Shareholder. The exceeding amount is taxed as ordinary income at a flat rate of currently 31.68 percent. The rules regarding tax-free allowance also apply to shares held through a share savings account. A loss upon realization of shares held through the account is not in itself tax deductible, but the loss will affect the amount, if any, subject to tax upon closing of the account (i.e. any withdrawal amount exceeding the amount deposited into the account).

Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realization of shares qualifying for participation exemption, including shares in the Company. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purpose.

8.2.3 Norwegian Shareholders - Net wealth tax

The value of shares held by Norwegian Individual Shareholders as at 1 January in the year of assessment (i.e. the year following the relevant fiscal year) is included in the basis for the computation of net wealth tax imposed on such shareholders. Currently, the marginal wealth tax rate is 0.85 percent of the value assessed. The value for assessment purposes for listed shares is equal to 65 percent of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year).

Norwegian Corporate Shareholders are not subject to net wealth tax.

8.2.4 Foreign Shareholders - Norwegian Taxation of dividends

Non-Norwegian Individual Shareholders

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Individual Shareholders**") are, as a general rule, subject to withholding tax at a rate of 25 percent.

The withholding tax rate of 25 percent is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation. Documentation requirements apply to Non-Norwegian Shareholders who claim entitlement to a reduced withholding tax rate.

Non-Norwegian Individual Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance in respect of each individual share (please see section 10.2.3 “Norwegian Individual Shareholders” above). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25 percent calculated on the gross dividend less the tax-free allowance.

If a Non-Norwegian Individual Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Individual Shareholder, as described above.

Non-Norwegian Individual Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply individually to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Non-Norwegian Corporate Shareholders

Dividends distributed to shareholders that are limited liability companies not resident in Norway for tax purposes (“**Non-Norwegian Corporate Shareholders**”) are, as a general rule, subject to withholding tax at a rate of 25 percent. The withholding tax rate of 25 percent is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempt from Norwegian tax provided that the shareholder is the beneficial owner of the shares and that the shareholder is genuinely established and performs genuine economic business activities within the relevant EEA jurisdiction.

If the Non-Norwegian Corporate Shareholder holds the shares in connection with business activities in Norway, the shareholder will be subject to the same taxation as a Norwegian Corporate Shareholders, as described above.

Documentation requirements apply to Non-Norwegian Shareholders who claim entitlement to a reduced withholding tax rate or a withholding tax exemption. These documentation requirements vary depending on whether the Shareholders claims a reduced withholding tax rate in accordance with an applicable tax treaty or whether the Shareholder claims a tax exemption based on being a tax resident in another EEA country and depending on whether the Non-Norwegian Corporate Shareholder has previously qualified for a reduced rate for, or an exemption from, the withholding tax. Thus, Non-Norwegian Corporate Shareholders should consult with their own tax advisers in order to determine the documentation required. The documentation requirements apply equally to nominee registered shares.

Non-Norwegian Corporate Shareholders who have suffered to a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax withheld. The same applies to Non-Norwegian Corporate Shareholders within the EEA that are exempt from Norwegian tax on dividends, pursuant to participation exemption.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Company assumes this obligation.

8.2.5 Foreign Shareholders - Norwegian Taxation of capital gains on realization of shares

Non-Norwegian Individual Shareholders

Gains from the sale or other disposals of shares in the Company by a Non-Norwegian Individual Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Individual Shareholder holds the shares in connection with business activities carried out in or managed from Norway. In such cases the shareholder will be subject to the same taxation as Norwegian Individual shareholders.

Non-Norwegian Corporate Shareholders

Capital gains derived from the sale or other type of realization of shares in the Company by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway

8.2.6 Foreign Shareholders - Norwegian net wealth tax

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax.

Non-Norwegian Individual Shareholders may, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

8.2.7 Vat and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

8.2.8 Inheritance tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

8.3 Taxation of the New Capital Perpetual Bonds

8.3.1 Introduction

The below description is based on the assumption that the New Capital Perpetual Bonds are classified as a debt instrument for Norwegian tax purposes, and further as multiple debt instruments (*Nw. Mengdegjeldsbrev*). However, as described above in section 1 "Risk related to tax classification of the New Capital Perpetual Bonds", there is a risk that the Norwegian tax authorities may classify the New Capital Perpetual Bonds as equity for Norwegian tax purposes, which in case may impact the tax treatment for the holders of New Capital Perpetual Bonds.

Further, tax legislation of the investor's Member State and Norwegian tax legislation may have an impact on any income received from the Perpetual Bonds.

8.3.2 Joint taxation of warrant and debt element

For convertible bonds where the holder is given a right to subscribe for shares by way of setting off the bond element against the obligation to pay the subscription amount (conversion), the full instrument (i.e. including the warrant element) shall be taxed according to the rules applicable to debt instruments.

8.3.3 Norwegian Bondholders

Taxation of return on convertible bonds prior to disposal

Any kind of return received on convertible bonds prior to disposal is taxable as "ordinary income" subject to the flat rate of 22% (25% for financial institutions). Return on convertible bonds is taxed on an accruals basis (i.e. regardless of when the return is actually paid).

Taxation upon disposal or redemption of convertible bonds

Conversion or redemption of convertible bonds is treated as realization and may result in a capital gain or loss. Capital gains will be taxable as "ordinary income", subject to the flat rate of 22 per cent (25% for financial institutions). Losses will normally be deductible in the bondholder's "ordinary income".

Any capital gain or loss is computed as the difference between the amount received by the bondholder on realization (market value of received shares in case of a conversion) and the cost price of the bonds. The cost price is equal to the price for which the bondholder acquired the bonds. Costs incurred in connection with the acquisition and realization of bonds may be deducted from the bondholder's taxable income in the year of the realization.

Net wealth taxation

The value of bonds at the end of each income year will be included in the computation of a bondholder's taxable net wealth for municipal and state net wealth tax purposes. Listed bonds are valued at their quoted value on 1 January in the assessment year. The marginal tax rate is currently 0.85%. Limited liability companies and similar entities are not subject to net wealth taxation.

8.3.4 Foreign Bondholders

Norwegian withholding tax

Payments on bonds to foreign bondholders will not be subject to Norwegian withholding tax.

Please note however that the Norwegian Government has adopted a withholding tax on interest payments effective from 1 July 2021. Under the adopted rules, Norway may levy withholding tax on interest payments from a Norwegian company to (i) a related party (50% or more joint ownership) (ii) which is tax resident in a low-tax jurisdiction (effective taxation lower than 2/3 of Norwegian effective taxation). The domestic withholding tax rate for interest payments is 15%, but may be reduced under an applicable tax treaty.

Taxation of return and capital gain upon disposal or redemption

Return received or capital gain upon disposal or redemption of convertible bonds will not be subject to tax in Norway unless the foreign bondholder is holding the convertible bonds in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

Net wealth taxation

Foreign bondholders are not subject to Norwegian net wealth tax with respect to convertible bonds, unless the bondholder is an individual, and the bondholding is effectively connected with a business which the bondholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

8.3.5 Transfer taxes, etc. - VAT

There are currently no Norwegian transfer taxes, stamp duty or similar taxes connected to purchase, disposal or redemption of bonds. Furthermore, there is no VAT on transfer of bonds.

8.4 Taxation of the NAS13 Bonds

8.4.1 Introduction

The below description is based on the assumption that the NAS13 Bonds are classified as a debt instrument for Norwegian tax purposes, and further as multiple debt instruments (*Nw. Mengdegjeldsbrev*).

8.4.2 Norwegian Bondholders

Taxation of return on bonds prior to disposal

Any kind of return received on bonds prior to disposal is taxable as "ordinary income" subject to the flat rate of 22% (25% for financial institutions). Return on convertible bonds is taxed on an accruals basis (i.e. regardless of when the return is actually paid).

Taxation upon disposal or redemption of convertible bonds

Sale or redemption of bonds is treated as realization and may result in a capital gain or loss. Capital gains will be taxable as "ordinary income", subject to the flat rate of 22 per cent (25% for financial institutions). Losses will normally be deductible in the bondholder's "ordinary income".

Any capital gain or loss is computed as the difference between the amount received by the bondholder on realization and the cost price of the bonds. The cost price is equal to the price for which the bondholder acquired the bonds. Costs incurred in connection with the acquisition and realization of bonds may be deducted from the bondholder's taxable income in the year of the realization.

Net wealth taxation

The value of bonds at the end of each income year will be included in the computation of a bondholder's taxable net wealth for municipal and state net wealth tax purposes. Listed bonds are valued at their quoted value on 1 January in the assessment year. The marginal tax rate is currently 0.85%. Limited liability companies and similar entities are not subject to net wealth taxation.

8.4.3 Foreign Bondholders

Norwegian withholding tax

Payments on bonds to foreign bondholders will not be subject to Norwegian withholding tax.

Please note however that the Norwegian Government has adopted a withholding tax on interest payments effective from 1 July 2021. Under the adopted rules, Norway may levy withholding tax on interest payments from a Norwegian company to (i) a related party (50% or more joint ownership) (ii) which is tax resident in a low-tax jurisdiction (effective taxation lower than 2/3 of Norwegian effective taxation). The domestic withholding tax rate for interest payments is 15%, but may be reduced under an applicable tax treaty.

Taxation of return and capital gain upon disposal or redemption

Return received or capital gain upon disposal or redemption of bonds will not be subject to tax in Norway unless the foreign bondholder is holding the convertible bonds in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

Net wealth taxation

Foreign bondholders are not subject to Norwegian net wealth tax with respect to convertible bonds, unless the bondholder is an individual, and the bondholding is effectively connected with a business which the bondholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

8.4.4 Transfer taxes, etc. - VAT

There are currently no Norwegian transfer taxes, stamp duty or similar taxes connected to purchase, disposal or redemption of bonds. Furthermore, there is no VAT on transfer of bonds.

9. ADDITIONAL INFORMATION

9.1 The Issue

The involved persons in the issuance of the Bonds and the Shares have no interest, nor conflicting interests that is material to the Shares and Bonds.

No market-maker agreement has been or is expected to be made for the Shares or the Bonds.

9.2 Legal Advisor

Advokatfirmaet BAHR AS is acting as legal adviser to the Issuer in connection with the Listing.

9.3 Other information

In this Securities Note, all references to “U.S. dollar”, “US\$”, “USD”, or “\$” are to the lawful currency of the United States of America. Certain figures included in this Securities Note have been subject to rounding adjustments. As a result of the rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

In this Securities Note all references to “EU” are to the European Union and its Member States as of the date of this Prospectus; all references to “EEA” are to the European Economic Area and its member states as of the date of this Prospectus; and all references to “US”, “U.S.” or “United States” are to the United States of America.

9.4 Cautionary Note Regarding Forward-Looking Statements

This Securities Note may include forward-looking statements that reflect the Group’s current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Group’s business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Group’s future business development and economic performance. These Forward-looking Statements can be identified by the use of forward-looking terminology; including the terms “assumes”, “projects”, “forecasts”, “estimates”, “expects”, “anticipates”, “believes”, “plans”, “intends”, “may”, “might”, “will”, “would”, “can”, “could”, “should” or, in each case, their negative or other variations or comparable terminology. These Forward-looking Statements are not historical facts, and the Group cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Group’s business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The forward-looking statements speak only as at the date of this Securities Note. Except as required according to the Norwegian Securities Trading Act, the Group undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Group or to persons acting on the behalf of the Group are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Securities Note.

9.5 The approval of this Securities Note by the Norwegian Financial Supervisory Authority

This Securities Note has been approved by the Norwegian FSA, as the competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval

should not be considered as an endorsement of the Company or the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the securities.

The approval given by the Norwegian FSA only relates to the information included in the Securities Note in accordance with pre-defined disclosure requirements imposed by the EU Prospectus Regulation. The Norwegian FSA has not made any form of verification or approval relating to corporate matters described in or referred to in the Securities Note. On no account must the publication or the disclosure of this Securities Note give the impression that the information herein is complete or correct on a given date after the date on this Securities Note, or that the business activities of the Company or its subsidiaries may not have been changed.

The Securities Note has been drawn up as part of a simplified prospectus in accordance with Article 14 of the EU Prospectus Regulation.

10. DEFINITIONS

Capitalised terms used throughout this Securities Note shall have the meaning ascribed to such terms as set out below, unless the context require otherwise.

AOC	Air Operator Certificate
Bonds	The New Capital Perpetual Bonds and the NAS13 Bonds.
New Capital Perpetual Bond Terms..	Means the bond terms in respect of the New Capital Perpetual Bonds dated 26 May 2021.
NAS13 Bond Terms	Means the bond terms in respect of the NAS13 Bonds dated 18 May 2021.
Bond Trustee	Nordic Trustee AS
Affiliate.....	Awith respect to a person: <ul style="list-style-type: none"> (a) any other person who is registered in the CSD as, directly registered owner or nominee holder indirectly is in control of a Bond, from time to time, or controlled by, or is under common control with, such person; or (b) any other person who is a director, officer or employee: <ul style="list-style-type: none"> (i) of such person; (ii) of any subsidiary or parent company of such person; or (iii) of any person described in paragraph (a) above, <p>and for the purposes of this definition, control of a person shall mean the power, direct or indirect, (A) to vote on more than 50% of the securities having ordinary voting power for the election of directors of such person, or (B) to direct or cause the direction of the management and policies of such person whether by contract or otherwise.</p>
Bondholder.....	A person who is registered in the CSD as directly registered owner or nominee holder of a Bond, from time to time
Board Members or Board of Directors Company, NAS, Norwegian Air Shuttle, Norwegian or Issuer	The members of the Company’s board of directors Norwegian Air Shuttle ASA, business reg. no. 965 920 358
Capital Raise.....	The issuance of the New Capital Perpetual Bonds and the Offering of new Shares by the Company in May 2021.
Connected Person	a person who would be connected with another person for the purposes of Section 220 of the Irish Companies Act 2014 (as amended) if that other person was a director of a company.
COVID-19	The corona disease cause by the coronavirus SARS-CoV-2
Debt Conversion	Conversion of all or parts of the Dividend Claims.
Decisive Influence	Has the meaning as ascribed to such term in section 4
Dividend Claims	Convertible debt claims with 7 year maturity and NIBOR +1% interest issued to creditors in the Company with an unsecured claim as part of the Restructuring on 26 May 2021, as further described in the Registration Document sections 4.7 (under “The Restructuring Proposal”) and 4.15, and documented by the Dividend Claims Terms
Dividend Claims Terms	Means the Dividend Claims Terms executed by the Company dated 11 March 2021

DNB Loan Agreement.....	The amended and restated term loan facility agreement entered into between the Company and DNB Bank ASA as agent dated 31 May 2021.
EEA	The European Economic Area
Early Conversion Bonds	Has the meaning as ascribed to such term in section 4
Effective Date	26 May 2021
EGM	The extraordinary general meeting in the Company held on 17 December 2020
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2004/71/EC
Examinership	The Irish examinership process of the Group
Excess Allowance	Any part of the calculated allowance one year exceeding the dividend distributed on the share
Excess Slot Disposal Proceeds Account.....	Has the meaning ascribed to such term in section 1.3
Extension Resolution	Has the meaning as ascribed to such term in section 4
FSMA	The Financial Services and Markets Act 2000
General Meeting(s)	The annual and extraordinary general meetings in the Company.
GLEIF.....	Global Legal Identifier Foundation
Group	Norwegian Air Shuttle ASA and its direct and indirect subsidiaries
Group Company/-ies	Norwegian Air Shuttle ASA and/or its direct and indirect subsidiaries, as the case may be
Issuer.....	Norwegian Air Shuttle ASA, a company existing under the laws of Norway with registration number 965 920 358 and LEI-code 549300IEUH2FEM2Y6B51
Listing.....	The listing of the Shares and the Bonds on Oslo Stock Exchange
LEI	Legal Entity Identifier
LGW	London Gatwick Airport
LOU.....	Local Operating Units
Management	Members of the Group's senior management
Members of the Company's board of directors.....	The members of the Group's senior management
MiFID II.....	EU Directive 2014/65/EU on markets in financial instruments
MiFID II Product Governance Requirements.....	MiFID II; Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and local implementing measures
NAS13 Bonds	The NOK 750,000,000 senior secured bonds issued following the implementation of the Restructuring Proposal, in replacement of the Company's previous bond loans NAS07 and NAS08, each with a par value of NOK 1
NCI.....	National Client Identifier
New Capital Perpetual Bonds.....	The FRN perpetual subordinated convertible bonds issued by the Company on 26 May 2021 as part of the Reconstruction, each with a par value of NOK 1
New Shares	Any new Shares issued as a result of the Debt Conversion, as further described herein
Non-Norwegian Corporate Shareholders.....	Shareholders that are limited liability companies not resident in Norway for tax purposes
Non-Norwegian Individual Shareholders.....	Shareholders who are individuals not resident in Norway for tax purposes
Share Pledge	The share pledge over 100% of the share capital of Norwegian Air Norway AS
Slots.....	Take-off and landing slots at London Gatwick Airport

Slot Owner	Has the meaning ascribed to such term in section 4
Slot Regulation	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 Rule.....	Has the meaning ascribed to such term in section 1.3
Summons	Has the meaning ascribed to such term in section 5
Norwegian Act on Overdue Payment .	Norwegian Act on Overdue Payment of 17 December 1976 no. 100
Norwegian Corporate Shareholders...	Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes
Norwegian FSA	The Norwegian Financial Supervisory Authority (Norwegian: <i>Finanstilsynet</i>)
Norwegian Individual Shareholders...	Shareholders who are individuals resident in Norway for tax purposes
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 2007 no. 75, as amended
NRBE	Norwegian Registry of Business Enterprises (Nw. <i>Foretaksregisteret</i>)
Offering	The private placement and rights issue of new shares in the Company completed in May 2021, whereby the Company raised gross proceeds of approximately NOK 4,125 million as part of the Restructuring.
Order.....	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
Ordinary Slot Disposal Proceeds Account.....	Has the meaning ascribed to such term in section 1.3
Oslo Stock Exchange or Oslo Børs.....	Oslo Børs (a stock exchange operated by Oslo Børs ASA)
Parity Obligations.....	All claims in respect of the Bonds will rank as described in the Bond Terms, and shall rank pari passu between themselves and any obligation that ranks or is expressed to rank pari passu with the Bonds
PLCA	Public Limited Liability Companies Act
Prospectus	This Securities Note together with the Registration Document and the Summary
Registration Document	The registration document dated 6 May 2021, as supplemented through a supplemental registration document dated 18 August 2021, describing the Company.
QIB	Qualified Institutional Buyer, as defined in, and in reliance on, Rule 144A in the U.S. Securities Act
Restructuring	The Examinership and the Reconstruction
Reconstruction	The Norwegian reconstruction process
Registration Document	The registration document dated 6 May 2021, describing the Company
Relevant Member State.....	A member state of the EEA, other than Norway
Relevant Persons.....	Persons who are (i) outside the UK or (ii) investment professionals falling within Article 19(5) of the Order or (iii) high net worth companies, and other persons to whom the Securities Note may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order
Retained Claim Bonds.....	The retained claims bonds issued to certain creditors that participates in (i) the New Capital Perpetual Bonds Offering; and/or (ii) the Private Placement, as further described in section 4.7 under

	“The Restructuring Proposal” and section 4.15 “Key financing agreements” of the Registration Document.
Scheme	Means the schemes of arrangement relating to each of the companies subject to the Examinership and the reconstruction plan under the Reconstruction.
Securities Note	This securities note dated 18 August 2021
Shares.....	mean existing shares as issued by the Company and the new shares in the Company as further described herein; and “Share” means any one of them
Summary	The summary dated 18 August 2021
TOL.....	Temporary Operating Licence
US, United States	United States of America
US Exchange Act	US Securities Exchange Act of 1934
VPS	The Norwegian Central Securities Depository (Norwegian: <i>Verdipapirsentralen</i>)

BOND TERMS

for

Norwegian Air Shuttle ASA FRN perpetual subordinated convertible bonds

ISIN NO 0010996440

and

ISIN NO 0010996432

www.bahr.no

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BOND TERMS between

ISSUER: Norwegian Air Shuttle ASA, a company existing under the laws of Norway with registration number 965 920 358 and LEI-code 549300IEUH2FEM2Y6B51; and

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

DATED: 20 May 2021

These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.

1. INTERPRETATION

1.1 Definitions

The following terms shall have the following meanings:

“**Acceleration Event**” shall have the meaning ascribed to such term in Clause 17.1(b).

“**Acceleration Notice**” shall have the meaning ascribed to such term in Clause 17.2 (*Acceleration of the Bonds*).

“**Accounting Standard**” means GAAP.

“**Additional Shares**” shall have the meaning ascribed to such term in Clause 13.3 (*Retroactive Adjustments*).

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person who has Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity who has Decisive Influence (directly or indirectly) over that person.

“**Annual Financial Statements**” means the audited annual consolidated financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Terms**” means these terms and conditions, including all Attachments which shall form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“Bond Trustee Fee Agreement” means the agreement entered into between the Issuer and the Bond Trustee relating among other things to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“Bondholder” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“Bondholder Taxes” shall have the meaning ascribed to such term in Clause 12.2 (*Procedure for exercise of Conversion Rights*).

“Bondholders’ Meeting” means a meeting of Bondholders as set out in Clause 18 (*Bondholders’ Decisions*).

“Bonds” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any PIK Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“Business Day” means a day on which both the relevant CSD settlement system is open, and the relevant Bond currency settlement system is open.

“Business Day Convention” means that 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.

“Calculation Agency Agreement” means the calculation agency agreement dated on or about 18 May 2021 and entered into by the Issuer and the Calculation Agent whereby the Calculation Agent has been appointed to make certain calculations in relation to the Bonds.

“Calculation Agent” means Conv-Ex Advisors Limited and such expression shall include any successor as calculation agent under the Calculation Agency Agreement.

“Call Option” shall have the meaning ascribed to such term in Clause 10.2 (*Voluntary redemption - Call Option*).

“Call Option Redemption Date” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary redemption - Call Option*), or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“Chairperson” shall have the meaning ascribed to such term in Clause 18.2 (*Procedure for arranging a Bondholders’ Meeting*).

“Change of Control Conversion Period” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

“Change of Control Event” means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.

“Clean-up Redemption Date” means the settlement date for the Clean-Up Redemption Option determined by the Issuer pursuant to Clause 10.3 (*Redemption at the option of the Issuer due to low aggregate Nominal Amount outstanding*), or a date agreed upon between

the Bond Trustee and the Issuer in connection with such redemption of Bonds, and in each case specified in the Clean-up Redemption Notice.

“**Clean-up Redemption Notice**” shall have the meaning ascribed to such term in Clause 10.4(b).

“**Clean-up Redemption Option**” shall have the meaning ascribed to such term in Clause 10.4(a) .

“**Closing Price**” means, in respect of a Share or any Security, Spin-Off Security, option, warrant or other right or asset on any Dealing Day in respect thereof, the closing price on the Relevant Stock Exchange on such Dealing Day of a Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (using the setting “Last Price”, or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values shall be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share, Security, Spin-Off Security, option, warrant or other right or asset (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is NAS NO Equity HP), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day, provided that:

- (a) if on any such Dealing Day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Share, Security, option, warrant, or other right or asset, as the case may be, in respect of such Dealing Day shall be the Closing Price, determined by the Calculation Agent as provided above, on the immediately preceding such Dealing Day on which the same can be so determined, provided however that if such immediately preceding Dealing Day falls prior to the fifth day before the Original Date, the Closing Price in respect of such Dealing Day shall be considered to be not capable of being determined pursuant to this proviso (a); and
- (b) if the Closing Price cannot be determined as aforesaid, the Closing Price of a Share, Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate,

and the Closing Price determined as aforesaid on or as at any such Dealing Day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such Dealing Day.

“**Conversion Date**” shall have the meaning ascribed to such term in Clause 12.2 (*Procedure for exercise of Conversion Rights*).

“**Conversion Notice**” shall have the meaning ascribed to such term in Clause 12.2 (*Procedure for exercise of Conversion Rights*).

“**Conversion Period**” means

- (a) the period commencing on (and including):

- (i) with respect to the first NOK 20,000,000 of Bonds subscribed for by each Creditor (taken together with its Affiliates) (“**Early Conversion Bonds**”), the Issue Date; and
- (ii) with respect to any Bond that is not an Early Conversion Bond, the date falling on the second anniversary of the Issue Date;

and in each case ending on (and including) the 10th Business Day prior to the earliest of: (x) the Conversion Right Expiry Date, or (y) any date fixed for redemption of the Bonds pursuant to these Bond Terms, unless there is a default in making any payment in respect of the relevant Bond on such redemption date, in which event the Conversion Right shall extend up to (and including) the date on which the full amount of such payment becomes available; and

- (b) any Change of Control Conversion Period, any Mandatory Offer Conversion Period, any De-Listing Conversion Period or any Tax Event Conversion Period.

For the purposes of this definition, no PIK Bond shall be deemed to be an Early Conversion Bond.

“**Conversion Price**” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

“**Conversion Right**” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

“**Conversion Right Expiry Date**” means (i) 24 May 2026, being the date that is five (5) years from the date on which the issue of the Bonds was approved by the board of directors of the Issuer, or (ii) if later, the latest date on which the Conversion Rights may be exercised pursuant to an Extension Resolution.

“**Creditor**” means a Bondholder which:

- (a) is listed as a creditor or class of creditor in Schedule 5 to the Scheme of Arrangement (including, for the avoidance of doubt, any creditor represented by Nordic Trustee AS as bond trustee in Schedule 5 to the Scheme of Arrangement);
- (b) owned Eligible Debt against the Issuer as at the Petition Date and was issued Bonds on the Issue Date; and
- (c) has not entered into or permitted to be entered into any agreement to transfer all or part of its Eligible Debt to any person (or any arrangement of similar effect), and/or made or permitted to be made an application for the Bonds in contemplation of any such agreement or arrangement.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“**Current Market Price**” means, in respect of a Share at a particular date, the arithmetic average of the daily Volume Weighted Average Price of a Share on each of the 5 consecutive

Dealing Days ending on the Dealing Day immediately preceding such date, as determined by the Calculation Agent, provided that:

- (a) for the purposes of determining the Current Market Price pursuant to paragraphs (d) or (f) of Clause 13.1 (*Adjustments*) in circumstances where the relevant event relates to an issue of Shares, if at any time during the said 5 Dealing Day period (which may be on each of such five Dealing Days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such five Dealing Days) the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:
 - (i) if the Shares to be so issued do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement (or, where on each of the said five Dealing Days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), as at the date of first public announcement of such Dividend or entitlement), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
 - (ii) if the Shares to be so issued do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement, in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit,
- (b) for the purposes of any calculation or determination required to be made pursuant to paragraphs (a)(i) or (a)(ii) of the definition of “Dividend”, if on any of the said five Dealing Days the Volume Weighted Average Price shall have been based on a price cum the relevant Dividend or capitalisation giving rise to the requirement to make such calculation or determination, the Volume Weighted Average Price on any such Dealing Day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the relevant cash Dividend as at the Ex-Date in respect of such Dividend, as determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; and
- (c) for any other purpose, if any day during the said five Dealing Day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount

thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement.

“De-Listing Conversion Period” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

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

“Dealing Day” means a day on which the Relevant Stock Exchange is open for business and on which Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular weekday closing time) provided that, unless otherwise specified or the context otherwise requires, references to “Dealing Day” shall be a dealing day in respect of the Shares.

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

- (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.

“Dividend” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves) provided that:

- (a) where:
 - (i) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Shares or other property or assets, or where an issue of Shares or other property or assets to Shareholders by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve) is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a cash Dividend of an amount equal to the greater of (A) the Fair Market Value of such cash amount and (B) the Current Market Price of such Shares or, as the case may be, the Fair Market Value of such other property or assets, in any such case as at the Ex-Date in respect of the relevant Dividend or capitalisation (or, if later, the Dividend Determination Date), save that where a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Shares or an issue of Shares to Shareholders by way of capitalisation of profits or reserves is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash where the number of Shares which may be issued or delivered is to be determined at a date or during a period following the last day on which such election can be

made as aforesaid and is to be determined by reference to a publicly available formula based on the closing price or volume weighted average price or any like or similar pricing benchmark of the Shares, without factoring in any discount or premium to such price or benchmark, then such Dividend shall be treated as a cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is determined as aforesaid; or

- (ii) there shall (other than in circumstances subject to proviso (i) above) (A) be any issue of Shares or other property or assets to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue or delivery is or is expressed to be in lieu of a Dividend in cash (whether or not a cash Dividend equivalent amount is announced) or a Dividend in cash is announced that is to be satisfied by the issue or delivery of Shares or other property or assets, or (B) any issue or delivery of Shares or other property or assets by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) that is to be satisfied by the payment of cash, then, in the case of (A) the capitalisation or Dividend in question shall be treated as a cash Dividend of an amount equal to the Current Market Price of such Shares or, as the case may be, the Fair Market Value of such other property or assets as at the Ex-Date in respect of the relevant capitalisation (or, if later, the Dividend Determination Date), and, in the case of (B), the capitalisation in question shall be treated as a cash Dividend of an amount equal to the Fair Market Value of such cash amount as at the Ex-Date in respect of the relevant capitalisation (or, if later, the Dividend Determination Date), save that where an issue of Shares by way of capitalisation of profits or reserves is announced where such issue is or is expected to be in lieu of a Dividend in cash (in circumstances where the cash amount thereof is announced) or an issue of Shares by way of capitalisation of profits or reserves is announced that is to be satisfied by the payment of cash where the number of Shares to be issued or delivered or the amount of such payment of cash is to be determined at a date or during a period following such announcement and is to be determined by reference to a publicly available formula based on the closing price or volume weighted average price or any like or similar pricing benchmark of the Shares, without factoring in any discount or premium to such price or benchmark, then such capitalisation shall be treated as a cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is announced or determined as aforesaid;
- (b) any issue of Shares falling within paragraphs (a) or (b) of Clause 13.1 (*Adjustments*) shall be disregarded;
- (c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase, redemption or buy back of Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted average price per Share (before expenses) on any day (a “**Specified Share Day**”) in respect of such purchases, redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day), exceeds by more than 5 per cent. the Current Market Price of a Share:

- (i) on the Specified Share Day; or
- (ii) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, on the date of first public announcement of such tender offer (and regardless of whether or not a price per Share, a minimum price per Share or a price range or a formula for the determination thereof is or is not announced at such time),

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Shares purchased, redeemed or bought back by or on behalf of the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of such Current Market Price and (ii) the number of Shares so purchased, redeemed or bought back;

- (d) if the Issuer or any of its Subsidiaries (or any person on its or their behalf) shall purchase, redeem or buy back any depositary or other receipts or certificates representing Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser;
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan or arrangement implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Shares held by them from a person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Bond Terms be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition and the provisions of these Bond Terms shall be construed accordingly;
- (f) where a Dividend in cash is declared which provides for payment by the Issuer to Shareholders in the Relevant Currency or an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise, it shall be treated as a Dividend in cash in the amount of such Relevant Currency or, as the case may be, an amount in such Relevant Currency, and in any other case it shall be treated as a Dividend in cash or, as the case may be, an amount in cash in the currency in which it is payable by the Issuer;
- (g) a dividend or distribution that is a Spin-Off shall be deemed to be a Dividend paid or made by the Issuer,

and any such determination shall be made in good faith by the Calculation Agent or where specifically provided, an Independent Adviser and, in either such case, on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“Dividend Determination Date” means, for the purposes of the definition of “Dividend”, the date on which the number of Shares or, as the case may be, amount of other property or assets, which may be issued or delivered is, or is capable of being, determined, and where determined by reference to prices or values or the like on or during a particular day or during a particular period, the Dividend Determination Date shall be deemed to be such day or the last day of such period, as the case may be.

“Effective Time” shall have the meaning given to such term in the Scheme of Arrangement.

“Eligible Debt” means the debt against the Issuer as set out in Schedule 5 to the Scheme of Arrangement, on which basis each Bondholder’s investment allowance in connection with application for the Bonds was calculated.

“Ex-Date” means, in relation to any Dividend (including without limitation any Spin-Off), capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement, unless otherwise defined herein, the first Dealing Day on which the Shares are traded ex- the relevant Dividend, capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement on the Relevant Stock Exchange (or, in the case of a Dividend which is a purchase, redemption or buy back of Shares (or, as the case may be, any depositary or other receipts or certificates representing Shares) pursuant to paragraph (c) (or, as the case may be, paragraph (d)) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made).

“Examinership” means the examinership of the Issuer and certain of its Subsidiaries granted by the High Court of Ireland on 7 December 2020.

“Exchange” means Oslo Børs (the Oslo Stock Exchange).

“Extension Resolution” shall have the meaning ascribed to such term in Clause 3.4 (*Extension Resolution*).

“Fair Market Value” means, on any date (the **“FMV Date”**):

- (a) in the case of a cash Dividend, the amount of such cash Dividend, as determined in good faith by the Calculation Agent;
- (b) in the case of any other cash amount, the amount of such cash, as determined in good faith by the Calculation Agent;
- (c) in the case of Securities (including Shares), Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined in good faith by the Calculation Agent or an Independent Adviser), the arithmetic mean of:
 - (i) in the case of Shares or (to the extent constituting equity share capital) other Securities or Spin-Off Securities, for which a daily Volume Weighted Average Price (disregarding for this purpose proviso (b) to the definition thereof) can be determined, such daily Volume Weighted Average Price of the Shares or such other Securities or Spin-Off Securities; and

- (ii) in any other case, the Closing Price of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both (i) and (ii) during the period of five Dealing Days for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the “Adjusted FMV Date”) which falls on the first such Dealing Day on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (d) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, all as determined in good faith by the Calculation Agent; and

- (d) in the case of Securities, Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as aforesaid) or where otherwise provided in paragraph (c) above to be determined pursuant to this paragraph (d), an amount equal to the fair market value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, and including as to the expiry date and exercise price or the like (if any) thereof.

Such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined in good faith by the Calculation Agent.

In addition, in the case of paragraphs (a) and (b) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement, the Calculation Agency Agreement, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Reports**” means the Annual Financial Statements and the Interim Accounts.

“**First Call Date**” shall have the meaning ascribed to such term in Clause 10.2 (*Voluntary redemption - Call Option*).

“**GAAP**” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

“**Group**” means the Issuer and its Subsidiaries from time to time.

“**Group Company**” means any person which is a member of the Group.

“**IFRS**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement, as adopted by the European Union.

“**Independent Adviser**” means an independent adviser with appropriate expertise, which may be the Calculation Agent, appointed by the Issuer at its own expense and (other than where the initial Calculation Agent is appointed) approved in writing by the Bond Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Bond Trustee) and the Bond Trustee is indemnified and/or secured as to costs to its satisfaction against the costs, fees and expenses of such adviser, appointed by the Bond Trustee following notification to the Issuer, which appointment shall be deemed to be made by the Issuer.

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Period**” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 1 December 2021.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 1 June and 1 December each year.

“**Interest Quotation Day**” means, in relation to any period for which the Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.

“**Interest Rate**” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on 31 March, 30 June, 30 September and 31 December in each year prepared in accordance with the Accounting Standard.

“**ISIN**” means International Securities Identification Number, being the identification number of the Bonds.

“**Issue Date**” means 26 May 2021.

“Issuer” means the company designated as such in the preamble to these Bond Terms.

“Issuer’s Bonds” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“Listing Failure Event” means:

- (a) that the Bonds have not been admitted to listing on the Exchange on or before the date falling six 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 the Exchange.

“Manager” means DNB Bank ASA, DNB Markets, Dronning Eufemias gate 30, NO 0191 Oslo, Norway.

“Mandatory Offer” means a mandatory offer for the remaining Shares in the Issuer which is triggered by the acquisition of Shares representing more than 1/3 of the voting rights in the Issuer pursuant to the Norwegian Securities Trading Act.

“Mandatory Offer Conversion Period” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

“Margin” means,

- (a) 2.5 per cent. per annum in respect of each Interest Period from and including the Issue Date to but excluding the first anniversary of the Issue Date;
- (b) 3.5 per cent. per annum in respect of each Interest Period from and including the first anniversary of the Issue Date to but excluding the third anniversary of the Issue Date;
- (c) 5.0 per cent. per annum in respect of each Interest Period from and including the third anniversary of the Issue Date, to but excluding the fifth anniversary of the Issue Date;
- (d) 7.0 per cent. per annum in respect of each Interest Period from and including the fifth anniversary of the Issue Date, to but excluding the seventh anniversary of the Issue Date; and
- (e) 9.5 per cent. per annum in respect of each Interest Period from and including the seventh anniversary of the Issue Date.

“Material Adverse Effect” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under the Finance Documents; and/or
- (b) the validity or enforceability of any of the Finance Documents.

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

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 19.2 (*The duties and authority of the Bond Trustee*).

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

“**Overdue Amount**” means any amount required to be paid by the Issuer under any of the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Par Value**” means, at any time, the par value of the Shares.

“**Parity Obligations**” means any payment obligations of the Issuer that as a matter of contract or law rank *pari passu* in right and priority of payments with the Bonds upon an Acceleration Event.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying and Conversion Agent**” means the legal entity appointed by the Issuer to act as its paying and conversion agent with respect to the Bonds in the CSD.

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Petition Date**” means 18 November 2020.

“**PIK Bonds**” shall have the meaning ascribed to such term in Clause 9.3 (*Payment in kind*).

“**PIK Notice**” shall have the meaning ascribed to such term in Clause 9.3 (*Payment in kind*).

“**Prevailing Rate**” means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date (for the purpose of this definition, the “**Original Date**”) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth day prior to the Original Date or if such rate cannot be so determined (all as determined in good faith by the Calculation Agent), the Prevailing Rate in respect of the Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate.

“**Quotation Business Day**” means a day on which Norges Bank’s settlement system is open.

“**Reconstruction**” means the reconstruction of the Issuer granted by the Oslo Probate Court on 8 December 2020.

“**Reference Date**” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect or, in any such case, if that is not a Dealing Day, the next following Dealing Day.

“**Reference Rate**” shall mean NIBOR (Norwegian Interbank Offered Rate), being:

- (a) the screen rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the relevant Interest Period:
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the currency of the Bonds for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the screen rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such interest rate that best reflects the interest rate for deposits in the currency of the Bonds offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“Reference Shares” means, in respect of the exercise of Conversion Rights by a Bondholder, the number of Shares (rounded down, if necessary, to the nearest whole number) determined in good faith by the Calculation Agent by dividing the Nominal Amount of the Bonds which are the subject of the relevant exercise of Conversion Rights by the Conversion Price in effect on the relevant Conversion Date, except that where the Conversion Date falls on or after the date an adjustment to the Conversion Price takes effect pursuant to paragraphs (a), (b), (c), (d), (e), or (i) of Clause 13.1 (*Adjustments*) but on or prior to the record date or other due date for establishment of entitlement in respect of the relevant event giving rise to such adjustment, then provided the Issuer is able to confer the benefit of the relevant consolidation, reclassification, redesignation or subdivision, Dividend, issue or grant (as the case may be) on the relevant Bondholder in respect of the relevant Shares to be issued or transferred and delivered to such Bondholder in respect of the relevant exercise of Conversion Rights, the Conversion Price in respect of such exercise shall be such Conversion Price as would have been applicable to such exercise had no such adjustment been made.

“Relevant Currency” means, at any time, the currency in which the Shares are quoted or dealt in at such time on the Relevant Stock Exchange.

“Relevant Jurisdiction” means the country in which the Bonds are issued, being Norway.

“Relevant Record Date” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or

- (b) for the purpose of casting a vote with regard to Clause 18 (*Bondholders' Decisions*), the date falling on the immediately preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

"Relevant Stock Exchange" means:

- (a) in respect of the Shares, the Oslo Stock Exchange or, if at the relevant time, the Shares are not at that time listed and admitted to trading on the Oslo Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in; and
- (b) in respect of any Securities (other than Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where **"principal stock exchange or securities market"** shall mean the stock exchange or securities market on which such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided that if such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at the relevant time, then "principal stock exchange or securities market" shall mean that stock exchange or securities market on which such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets are then traded as determined by the Calculation Agent (if the Calculation Agent determines that it is able to make such determination) or (in any other case) by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in respect of such Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets.

"Repayment Date" means the Call Option Redemption Date, the Clean-Up Redemption Date or the date on which an Acceleration Notice is delivered to the Issuer in accordance with paragraph (a) of Clause 17.2 (*Acceleration of the Bonds*).

"Representative" shall have the meaning ascribed to such term in Clause 18.2 (*Procedure for arranging a Bondholders' Meeting*).

"Retained Claims Bonds" shall have the meaning ascribed to such term in the Scheme of Arrangement.

"Retroactive Adjustment" shall have the meaning ascribed to such term in Clause 13.3 (*Retroactive Adjustments*).

"Scheme" means any Scheme of Arrangement and any reconstruction plan approved under the Reconstruction.

"Scheme of Arrangement" means any scheme of arrangement formulated by the examiner of the Issuer in the Examinership pursuant to section 534 of the Irish Companies Act 2014.

“**Securities**” means any securities including, without limitation, Shares and other shares in the capital of the Issuer, restricted stock units, or options, warrants or other rights to subscribe for or purchase or acquire Shares or any other shares in the capital of the Issuer.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no. 75 of the Relevant Jurisdiction.

“**Senior Obligations**” means all present and future claims of (i) unsubordinated creditors of the Issuer, and (ii) subordinated creditors whose rights are expressed to rank senior to the Bonds.

“**Shareholder**” means a holder of a Share.

“**Shares**” means fully paid ordinary shares of the Issuer, at the date of these Bond Terms listed on the Exchange and with a Par Value of NOK 0.10 each, including such ordinary shares of the Issuer which, pursuant to the terms and conditions of these Bond Terms, shall be issued following any Bondholder’s exercise of its Conversion Right.

“**Specified Taxes**” shall have the meaning ascribed to such term in Clause 12.2 (*Procedure for exercise of Conversion Rights*).

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class, pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries.

“**Spin-Off Securities**” means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

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

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tax Event Conversion Period**” shall have the meaning ascribed to such term in Clause 12.1 (*Conversion Period and Conversion Price*).

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.3 (*Early redemption option due to a tax event*).

“**Volume Weighted Average Price**” means, in respect of a Share, Security or, as the case may be, a Spin-Off Security, on any Dealing Day in respect thereof, the volume weighted average price on such Dealing Day on the Relevant Stock Exchange of a Share, Security or, as the case may be, a Spin-Off Security, as published by or derived from Bloomberg page HP (or any successor page) (using the setting “Weighted Average Line” or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values shall be determined with all adjustment settings on the

DPDF Page, or any successor or similar setting, switched off) in respect of such Share, Security, or, as the case may be, Spin-Off Security (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is NAS NO Equity HP) if any or, in any such case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day provided that:

- (a) if on any such Dealing Day (for the purposes of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share, Security or Spin-Off Security, as the case may be, in respect of such Dealing Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding such Dealing Day on which the same can be so determined, provided however that if such immediately preceding Dealing Day falls prior to the fifth day before the Original Date, the Volume Weighted Average Price in respect of such Dealing Day shall be considered to be not capable of being determined pursuant to this proviso (a); and
- (b) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of a Share, Security or Spin-Off Security, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine in good faith to be appropriate,

and the Volume Weighted Average Price determined as aforesaid on or as at any such Dealing Day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such Dealing Day.

References to any issue or offer or grant to Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders other than Shareholders to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

For the purposes of Clause 12.1 (*Conversion Period and Conversion Price*), 12.3 (*Ranking and entitlement in respect of Shares*), 13.1 (*Adjustments*) and 13.3 (*Retroactive Adjustments*) only, (i) references to the “**issue**” of Shares or Shares being “**issued**” shall include the transfer and/or delivery of Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries and (ii) Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of paragraphs (d) and (f) of Clause 13.1 (*Adjustments*), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “**in issue**” or “**issued**”, or entitled to receive the relevant Dividend, right or other entitlement.

In making any calculation or determination of Closing Price, Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made in good faith and as the Calculation Agent considers appropriate to reflect any consolidation or sub-division of the Shares or any issue of Shares by way of capitalisation of profits or reserves, or any like or similar event.

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

“**Voting Period**” shall have the meaning ascribed to such term in Clause 18.5 (*Written Resolutions*).

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 18.5 (*Written Resolutions*).

1.2 Construction

- (a) In these Bond Terms, unless the context otherwise requires:
- (i) headings are for ease of reference only;
 - (ii) words denoting the singular number shall include the plural and vice versa;
 - (iii) references to Clauses are references to the Clauses of these Bond Terms;
 - (iv) references to a time are references to Central European time unless otherwise stated;
 - (v) references to a provision of “**law**” are references to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
 - (vi) references to a “**regulation**” include any regulation, rule, official directive, request or guideline by any official body;
 - (vii) references to a “**person**” mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
 - (viii) references to Bonds being “**redeemed**” mean that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
 - (ix) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer mean that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*); and
 - (x) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds in the amount of up to NOK 1,875,000,000 (excluding any PIK Bonds).
- (b) The Issuer shall issue any PIK Bonds in accordance with Clause 9 (*Interest*).
- (c) The Bonds are denominated in NOK.
- (d) The Initial Nominal Amount of each Bond is NOK 1.

- (e) The Bonds have the following ISINs:
 - (i) with respect to the Early Conversion Bonds that may be converted immediately after the Issue Date:
 - (A) ISIN NO 0010996432
 - (ii) with respect to any Bond that is not an Early Conversion Bond:
 - (A) ISIN NO 0010996440
- (f) Save as expressly set out herein, these Bond Terms apply with identical terms and conditions to (i) all Bonds issued under the ISINs set out in paragraph (e) (i) and (ii) above, (ii) any Overdue Amounts issued under one or more separate ISINs in accordance with the regulations of the CSD from time to time, and (iii) any PIK Bonds.
- (g) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 18.1 (*Authority of the Bondholders' Meeting*).

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date. The Bonds are perpetual and do not have any scheduled maturity. The Bonds may only be redeemed on a Repayment Date in the manner set out in these Bond Terms.

2.3 Use of proceeds

The Issuer shall use the net proceeds from the issuance of the Bonds for the general corporate purposes of the Group.

2.4 Status of the Bonds

- (a) The Bonds, including any accrued interest or any other amounts due in respect of the Bonds, shall constitute direct, unsecured and unguaranteed obligations of the Issuer and shall rank:
 - (i) *pari passu* in right and priority of payment among themselves and with any Parity Obligations;
 - (ii) senior in right and priority of payment to the Shares; and
 - (iii) junior in right and priority of payment to, and are postponed and subordinated to, the Senior Obligations.
- (b) 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.

2.5 Transaction Security

The Bonds are unsecured obligations of the Issuer.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the Conversion Right.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder that does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

3.4 Extension Resolution

- (a) The Issuer shall propose a resolution to its shareholders, to be made no later than the Conversion Right Expiry Date, to extend (or to authorise the board of directors to extend) the conversion period for the Conversion Rights (an "**Extension Resolution**") and shall notify the holders of the Bonds in accordance with Clause 21.3 (*Notices, contact information*) promptly upon the Extension Resolution being approved (or, as the case may be, rejected).
- (b) Any Bondholder that is a holder of Shares as of the record date for the voting of Shares in respect of any Extension Resolution shall vote in favour of such Extension Resolution.

4. ADMISSION TO LISTING

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on the Exchange on or before the date falling six months after the Issue Date, and thereafter remain listed on the Exchange until the Bonds have been redeemed in full.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer shall at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) Payment of the net proceeds from the issuance of the Bonds 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) 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 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) 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;
 - (vi) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);

- (vii) 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;
 - (viii) the Bond Trustee Fee Agreement duly executed by the parties thereto;
 - (ix) 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
 - (x) evidence that the Retained Claims Bonds shall be issued on or about the Issue Date.
- (b) The Bond Trustee, acting in its sole discretion, may waive the requirements for documentation set out in this Clause 6 or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

6.2 Disbursement of the proceeds

Disbursement of the proceeds to the Issuer is conditional on (i) the Bond Trustee's confirmation to the Paying and Conversion Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (b) thereof, and (ii) the Effective Time occurring upon the registration of the convertible loans pertaining to the Bonds with the Norwegian Companies Register (Nw.: Foretaksregisteret).

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*) in respect of itself to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) at the Issue Date; and
- (b) on the date of disbursement of the proceeds.

7.1 Status

It is a public 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.

7.2 Power and authority

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

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitute (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.

7.4 Non-conflict with other obligations

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

7.5 Authorisations and consents

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

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

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

7.6 No Acceleration Event

No Acceleration Event has occurred or is likely to result from the issue of the Bonds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

7.7 Financial Reports

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

7.8 No Material Adverse Effect

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

7.9 No misleading information

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

7.10 No withholdings

It 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 these Bond Terms.

7.11 Ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party have the status and ranking set out in Clause 2.4 (*Status of the Bonds*).

7.12 Share Conversion

The Issuer will, during the Conversion Period, have the authority to issue and allot, free from pre-emption rights and at the Conversion Price, sufficient Shares to enable the Conversion Rights to be satisfied in full at the Conversion Price.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer shall unconditionally make available to or to the order of the Bond Trustee and/or the Paying and Conversion Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying and Conversion Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms shall be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. 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.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default Interest

- (a) Default interest will accrue on any Overdue Amount (excluding, for the avoidance of doubt, any interest payment made by issuance of PIK Bonds as set out in Clause 9.3 (*Payment in kind*)) from and including the Payment Date on which it was first due and payable to and excluding the date on which the payment is made at the Interest Rate plus 2 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bond Terms shall accrue at the Interest Rate plus 1 percentage point per annum.

- (d) Upon the occurrence of the Conversion Right Expiry Date and until such time as the Conversion Rights have been reinstated by a resolution of the shareholders of the Issuer (or by the board of directors of the Issuer acting pursuant to an authorisation granted by a resolution of the shareholders of the Issuer), the interest on any principal amount outstanding under these Bond Terms (including, for the avoidance of doubt, any PIK Bonds) shall accrue at the Interest Rate plus 20 percentage points per annum.

8.3 Partial Payments

- (a) If the Paying and Conversion Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above-mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;
 - (i) the Bond Trustee has served an Acceleration Notice in accordance with Clause 17.2 (*Acceleration of the Bonds*), or
 - (ii) as a result of a resolution according to Clause 18 (*Bondholders' decisions*).

8.4 Taxation

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) 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 shall not be responsible for reimbursing any such fees.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the denomination of the Bonds set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*). If, however, the denomination differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying and Conversion Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying and Conversion Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

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

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee, who will notify the Issuer and the Paying and Conversion Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

9.2 Payment of Interest

Subject to Clause 9.3 (*Payment in kind*), the Issuer shall pay accrued Interest in cash on each Interest Payment Date for the corresponding preceding Interest Period.

9.3 Payment in kind

- (a) The Issuer may, at any time and in its sole discretion, decide that the Interest which is otherwise scheduled to be paid on an Interest Payment Date (rounded down to the nearest Nominal Amount) shall be capitalised and paid by issuing new Bonds on the applicable Interest Payment Date ("**PIK Bonds**"), by giving notice (a "**PIK Notice**") to the Bond Trustee in accordance with paragraph (b) below.
- (b) The Issuer shall submit any PIK Notice to the Bond Trustee as soon as possible and no less than 10 Business Days prior to the applicable Interest Payment Date.

- (c) PIK Bonds shall bear interest at a rate equal to the Interest Rate from time to time and shall benefit from Conversion Rights in accordance with Clause 12 (*Conversion Terms*). Any PIK Bonds shall be provided with a separate ISIN in accordance with the procedures in the CSD and shall not be added to the Nominal Amount of the Bonds. The ISIN for any PIK Bonds shall not have voting rights under these Bond Terms and shall be subject to Bondholders' decisions made in any Bondholders Meeting.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 No maturity or instalments

The Bonds are repayable on a Repayment Date only. The Bonds are not subject to any mandatory instalments or scheduled maturity.

10.2 Voluntary redemption - Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds (including, if any, PIK Bonds), together with accrued and unpaid interest (the “**Call Option**”) on any Business Day from and including:

- (i) the fourth anniversary of the Issue Date (the “**First Call Date**”) to but not including the fifth anniversary of the Issue Date, at a price equal to 103 per cent of the Nominal Amount; and
- (ii) the fifth anniversary of the Issue Date, at a price equal to 100 per cent of the Nominal Amount,

(the “**Call Option**”), 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 (the “**Call Option Redemption Date**”).

- (b) In the event of any exercise of the Call Option in respect of less than all of the Outstanding Bonds, the Bonds shall be redeemed *pro rata* among the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds (including, if any, PIK Bonds) at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

10.4 Redemption at the option of the Issuer due to low aggregate Nominal Amount outstanding

- (a) The Issuer shall have the right at any time, provided that less than 15 per cent. of the aggregate Nominal Amount of the Bonds issued on the Issue Date remain outstanding, to redeem all, but not only some, of the Outstanding Bonds on the Clean-Up

Redemption Date at a price per Bond resulting in aggregate redemption proceeds equal to:

- (i) the total number of Shares that would be deliverable to the Bondholders if the Conversion Rights in respect of all Outstanding Bonds were exercised (calculated, for the purposes of Clause 12.1(g), as if all of the Bonds were held by a single Bondholder) on the date of the Clean-Up Redemption Notice, multiplied by
- (ii) the Current Market Price per Share on the date of the Clean-up Redemption Notice

(the “Clean-up Redemption Option”).

- (b) The Clean-up Redemption Option may be exercised by the Issuer by prior written notice (the “Clean-up Redemption Notice”) to the Bond Trustee not more than 60 nor less than 30 calendar days before the Clean-up Redemption Date. Such notice sent by the Issuer shall be irrevocable and shall specify:

- (i) the Clean-up Redemption Date;
- (ii) calculation of the redemption price per Bond; and
- (iii) the latest date on which any Bondholder may exercise Conversion Rights.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer’s purchase of Bonds

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

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. CONVERSION TERMS

12.1 Conversion Period and Conversion Price

- (a) As provided in these Bond Terms, each Bond shall entitle the holder to convert such Bond into new and/or existing Shares as determined by the Issuer, credited as fully paid (a “Conversion Right”).
- (b) The Conversion Right cannot be separated from the Bond.

- (c) The number of Shares to be issued or transferred and delivered on exercise of a Conversion Right shall be equal to the Reference Shares in respect of such exercise.
- (d) The Issuer shall procure that Shares to be issued or transferred and delivered on exercise of Conversion Rights shall be issued or transferred and delivered to the relevant Bondholder or such Bondholder's nominee as specified in the relevant Conversion Notice in accordance with the provisions of Clause 12.2 (*Procedure for exercise of Conversion Rights*).
- (e) The initial Conversion Price is NOK 9,39 per Share. The Conversion Price is subject to adjustment in the circumstances described in Clause 13 (*Adjustment of the Conversion Price*). The expression "**Conversion Price**" shall be construed accordingly.
- (f) Subject to and as provided in these Bond Terms, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided during the respective Conversion Period.
- (g) Fractions of Shares shall not be issued or transferred and delivered on exercise of Conversion Rights or pursuant to Clause 13.3 (*Retroactive Adjustments*) and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Shares to be issued or transferred and delivered on conversion or pursuant to Clause 13.3 (*Retroactive Adjustments*) are to be registered in the same name, the number of such Shares to be issued or transferred and delivered in respect thereof shall, pursuant and subject to the definition of "Reference Shares", be calculated by the Calculation Agent on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares.
- (h) The Issuer shall procure that Shares to be issued or transferred and delivered on exercise of Conversion Rights will be issued or transferred and delivered to the Bondholder completing the relevant Conversion Notice or such Bondholder's nominee. Such Shares shall be deemed to be issued or transferred and delivered as of the relevant Conversion Date. Any Additional Shares to be issued or transferred and delivered pursuant to Clause 13.3 (*Retroactive Adjustments*) shall be deemed to be issued or transferred and delivered as of the relevant Reference Date.
- (i) Upon the occurrence of a Change of Control Event, provided that such Change of Control Event occurs on or after the date that is six (6) months following the Issue Date, each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder, provided that such Conversion Right is exercised during the period commencing on the date on which a Change of Control Event occurs and ending the earlier of (i) 60 calendar days following such date or, if later, 60 calendar days following the notification of a Change of Control Event (cf. paragraph (i) of Clause 15.4 (*Information: Miscellaneous*)) and (ii) the Conversion Right Expiry Date (and such period shall be the "**Change of Control Conversion Period**"). For the avoidance of doubt, the aforesaid is an option exercisable at the sole discretion of each Bondholder, and each Bondholder may elect not to exercise such option and to continue to hold its Bonds.

- (j) Upon the occurrence of an event occurring on or after the date that is sixty (60) days following the Issue Date but prior to 6 months from the Issue Date (the “**Initial Period**”) that requires a Mandatory Offer to be made, then each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder until the first day of the acceptance period for such Mandatory Offer (the “**Mandatory Offer Conversion Period**”), provided that such converting Bondholder shall represent to the Issuer that it intends to accept the Mandatory Offer. If a converting Bondholder does not accept the Mandatory Offer, or pursuant to its terms of the Mandatory Offer is not entitled to tender the Shares in the Mandatory Offer, then the converting Bondholder accepts and represents that the Shares received by such Bondholder shall be subject to selling restrictions until 3 months after the Initial Period.
- (k) Upon the occurrence of a De-Listing Event which occurs following a Change of Control Event, each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder provided that such Conversion Right is exercised during the period commencing on the date on which a De-Listing Event occurs and ending the earlier of (i) 60 calendar days following such date or, if later, 60 calendar days following the notification of a De-Listing Event (cf. paragraph (i) of Clause 15.4 (*Information: Miscellaneous*)) (and such period shall be the “**De-Listing Conversion Period**”).
- (l) In the event of the Issuer having served a written notice of its intention to redeem the bonds pursuant to Clause 10.3, each Bondholder shall be entitled to exercise its Conversion Rights in respect of some or all of the Bonds held by that Bondholder provided that such Conversion Right is exercised during the period commencing on the date on which the Issuer has served a written notice pursuant to Clause 10.3, and ending the earlier of (i) 10 Business Days prior to the Tax Event Repayment Date, and (ii) the Conversion Right Expiry Date (and such period shall be the “**Tax Event Conversion Period**”).

12.2 Procedure for exercise of Conversion Rights

- (a) Conversion Rights may be exercised by a Bondholder (via its account manager) during the Conversion Period by delivering the relevant Bond to the Paying and Conversion Agent, during its usual business hours, through the CSD, accompanied by a notice of exercise of the Conversion Right substantially in the form set out in Schedule 1 (a “**Conversion Notice**”) acceptable to the Paying and Conversion Agent. Conversion Rights shall be exercised subject in each case to (i) any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying and Conversion Agent to whom the relevant Conversion Notice is delivered is located, and (ii) in accordance with a procedure to be further agreed (in each case) between the account manager (on behalf of the converting Bondholder) and the Paying and Conversion Agent.
- (b) If such delivery is made on a day which is not a Business Day or after the relevant cut-off time (as specified by the Paying and Conversion Agent) on a Business Day, such delivery shall be deemed for all purposes of these Bond Terms to have been made on the next following such Business Day.

in the case of manifest error, be conclusive and binding on the Issuer, the Bond Trustee, the Calculation Agent and the relevant Bondholder.

- (d) Conversion Rights may only be exercised in respect of the whole of a Bond.
- (e) A Conversion Notice, once delivered, shall be irrevocable.
- (f) With respect to any Conversion Notice delivered in respect of Early Conversion Bonds, the converting Bondholder represents and warrant for the benefit of the Issuer that the converting Bondholder meets all the conditions to qualify as a Creditor, it being understood that the Issuer may request that the converting Bondholder provides evidence of the same to the reasonable satisfaction of the Issuer and if the Issuer is not so satisfied, the Issuer shall have the right to disregard the Conversion Notice.
- (g) The deemed date of exercise of the Conversion Right in respect of a Bond (the “**Conversion Date**”) shall be the business day in Norway immediately following the date of the delivery (or deemed delivery) of the relevant Bond and the Conversion Notice as provided in this Clause 12.2.
- (h) The Issuer shall pay all capital, stamp, issue and registration and transfer taxes and duties payable in Norway, or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject, in respect of the issue or transfer and delivery of any Shares in respect of such exercise (including any Additional Shares) (“**Specified Taxes**”). If the Issuer shall fail to pay any Specified Taxes, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.
- (i) A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on the exercise of Conversion Rights (other than any Specified Taxes). A Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal by it of a Bond or interest therein in connection with the exercise of Conversion Rights by it. Any such capital, stamp, issue, registration, transfer taxes or duties or other taxes payable by a Bondholder are referred to as “**Bondholder Taxes**”.
- (j) Neither the Bond Trustee nor any Paying and Conversion Agent shall be responsible for determining whether any Specified Taxes or Bondholder Taxes are payable or the amount thereof and shall not be responsible or liable for any failure by the Issuer to pay such Specified Taxes or by a Bondholder to pay such Bondholder taxes.
- (k) The Issuer shall (if relevant via the Paying and Conversion Agent) on or prior to the date falling 10 Business Days after a Conversion Date (i) carry the conversion into effect by, at its own discretion, issuing the relevant number of new Shares or transferring existing Shares to the converting Bondholder or his nominee, (ii) ensure the due registration of such Shares in the CSD (and transfer to the designated account of the converting Bondholder) and listing of such Shares on the Relevant Stock Exchange and any other stock exchange on which the Shares may then be listed or quoted or dealt in (and shall deliver any such documents and do any acts necessary in relation thereto), but this obligation to list such Shares shall not be considered as being

breached as a result of a Change of Control Event (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise including at the request of the person or persons controlling the Issuer as a result of the Change of Control Event, a de-listing of the Shares, and (iii) ensure that the Bonds so converted to Shares shall be written down. Upon the issuance or transfer of the Shares on conversion of any Bonds in accordance with the terms of these Bond Terms, the Issuer shall have no further liability in respect of such Bonds.

- (l) Notwithstanding paragraph (k) above, if a Bondholder exercises Conversion Rights and there is a requirement for a new prospectus in order for the resulting Shares to be listed on the Relevant Stock Exchange, the resulting Shares may be issued under a separate ISIN (such Shares referred to as the “**Temporary Shares**”). Upon the approval of the requisite prospectus, the Issuer shall ensure that the Temporary Shares are converted into the ISIN for the Shares. The Issuer shall use its reasonable endeavours to ensure that any Temporary Shares are listed on the Relevant Stock Exchange within one month of the date on which such Temporary Shares are registered in the CSD.

12.3 Ranking and entitlement in respect of Shares

Shares (including any Additional Shares and Temporary Shares) issued or transferred and delivered on exercise of Conversion Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Shares in issue on the relevant Conversion Date or, in the case of Additional Shares, on the relevant Reference Date, and the relevant holder shall be entitled to all rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls on or after the relevant Conversion Date, or as the case may be, the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Bond Terms. Such Shares, Temporary Shares or, as the case may be, Additional Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date or, as the case may be, the relevant Reference Date.

12.4 Purchase or Redemption of Shares

The Issuer or any Subsidiary of the Issuer may exercise such rights as they may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders.

12.5 No Duty to Monitor

Neither the Bond Trustee, the Calculation Agent nor any Paying and Conversion Agent shall be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price or be responsible or liable to any person for any loss arising from any failure by any of them to do so, nor shall the Bond Trustee, the Calculation Agent, or any Paying and Conversion Agent be responsible or liable to any person (other than in the case of the Calculation Agent, to the Issuer strictly in accordance with the relevant provisions of the Calculation Agency Agreement) for any determination of whether or not an adjustment to

the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment.

13. ADJUSTMENT OF THE CONVERSION PRICE

13.1 Adjustments

Upon the occurrence of any of the events described below, the Conversion Price shall be adjusted by the Calculation Agent as follows:

(a) *Consolidation, reclassification, redesignation or subdivision*

If and whenever there shall be a consolidation, reclassification, redesignation or subdivision affecting the number of Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- (i) **A** is the aggregate number of Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and
- (ii) **B** is the aggregate number of Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (a), the date on which the consolidation, reclassification, redesignation or subdivision, as the case may be, takes effect.

(b) *Capitalisation of profits or reserves*

If and whenever the Issuer shall issue any Shares credited as fully paid to Shareholders by way of capitalisation of profits or reserves, including any share premium account or capital redemption reserve (other than an issue of Shares constituting a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”) the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- (i) **A** is the aggregate number of Shares in issue immediately before such issue; and
- (ii) **B** is the aggregate number of Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b), the date of issue of such Shares.

(c) *Dividends*

If and whenever the Issuer shall declare, announce, make or pay any Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) **A** is the Current Market Price of one Share on the Ex-Date in respect of such Dividend; and
- (ii) **B** is the portion of the Fair Market Value of the aggregate Dividend attributable to one Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Shares or any depositary or other receipts or certificates representing Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Shares, or any Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (c), the later of (i) the Ex-Date in respect of such Dividend and (ii) the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Ex-Date relating in respect of relevant Dividend.

(d) *Rights issues*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a consideration receivable per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of

“C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Share on the Ex-Date in respect of the relevant issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) A is the number of Shares in issue on such Ex-Date;
- (ii) B is the number of Shares which the aggregate consideration (if any) receivable for the Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Share; and
- (iii) C is the number of Shares to be issued or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate,

provided that if on such Ex-Date such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (d), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such Ex-Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such Ex-Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (d), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (d).

(e) *Issue of Securities to Shareholders*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall (other than in the circumstances the subject of paragraph (d) and other than where such issue is determined to constitute a cash Dividend pursuant to paragraph (a) of the definition “Dividend”), issue any Securities to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities, the Conversion Price shall be adjusted by multiplying the

Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) A is the Current Market Price of one Share on the Ex-Date in respect of the relevant issue or grant; and
- (ii) B is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this paragraph (e), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (e).

(f) Issue of Shares at less than 95 per cent. of the Current Market Price

If and whenever the Issuer shall issue (otherwise than as mentioned in paragraph (d) above) wholly for cash or for no consideration any Shares (other than Shares issued on conversion of the Bonds or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire, Shares and other than any issue of Shares constituting a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”) or if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue or grant (otherwise than as mentioned in paragraph (d) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares (other than the Bonds), in each case at consideration receivable per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Share on the date of first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) A is the number of Shares in issue immediately before the date of first public announcement of the terms of such issue of Shares or issue or grant of options, warrants or other rights as provided above;
- (ii) B is the number of Shares which the aggregate consideration (if any) receivable for the issue of such Shares or, as the case may be, for the Shares to be issued

or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Share; and

- (iii) **C** is the number of Shares to be issued pursuant to such issue of such Shares or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights;

provided that if on the date of first public announcement of the terms of such issue or grant (as used in this paragraph (f), the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (f), “**C**” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase, acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (f), the later of (i) the date of issue of such Shares or, as the case may be, the issue or grant of such options, warrants or rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (f).

(g) *Other issues*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall (otherwise than as mentioned in paragraphs (d), (e) or (f) above) issue wholly for cash or for no consideration any Securities (other than where such issue of Securities is determined to constitute a cash Dividend pursuant to paragraph (a) of the definition of “Dividend”) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Shares, in each case where the consideration per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “**C**” and the proviso below) receivable upon conversion, exchange, subscription, purchase, acquisition, reclassification or redesignation is less than 95 per cent. of the Current Market Price per Share on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) **A** is the number of Shares in issue immediately before the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant);
- (ii) **B** is the number of Shares which the aggregate consideration (if any) receivable for the Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Share; and
- (iii) **C** is the maximum number of Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Shares which may be issued or arise from any such reclassification or redesignation,

provided that if on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (as used in this paragraph (g), the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this paragraph (g), “**C**” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (g), the later of (i) the date of issue of such Securities or, as the case may be, the grant of such rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (g).

(h) *Modification of rights*

If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “**C**” and the proviso below) receivable upon conversion, exchange, subscription, purchase or acquisition has been reduced and is less than 95 per cent. of the Current Market Price per Share on the date of first public announcement of the terms for such modification, the Conversion Price shall be adjusted by multiplying the

Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) **A** is the number of Shares in issue immediately before the date of first public announcement of the terms for such modification;
- (ii) **B** is the number of Shares which the aggregate consideration (if any) receivable for the Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- (iii) **C** is the maximum number of Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as the Calculation Agent shall consider appropriate for any previous adjustment under this paragraph (h) or paragraph (g) above;

provided that if on the date of first public announcement of the terms of such modification (as used in this paragraph (h), the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this paragraph (h), “**C**” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (h), the later of (i) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (h).

(i) *Certain arrangements*

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Shares or Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Shares or Securities may be acquired by them (except where the Conversion Price falls

to be adjusted under paragraphs (b), (c), (d), (e), (f) or (g) above or (j) below (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Share on the relevant day)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) A is the Current Market Price of one Share on the Ex-Date in respect of the relevant offer; and
- (ii) B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (i), the later of (i) the Ex-Date in respect of the relevant offer and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (i).

(j) *Other adjustments*

If the Issuer (following consultation with the Calculation Agent) determines that an adjustment should be made to the Conversion Price (or that a determination should be made as to whether an adjustment should be made) as a result of one or more circumstances not referred to above in this Clause 13.1 (even if the relevant circumstance is specifically excluded from the operation of paragraphs (a) to (i) above), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser to determine, in consultation with the Calculation Agent, if different, as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this paragraph (j) if such Independent Adviser is so requested to make such a determination not more than 21 days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Conversion Price.

(k) *Modifications*

Notwithstanding the foregoing provisions:

- (i) where the events or circumstances giving rise to any adjustment pursuant to this Clause 13.1 have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of the Issuer,

following consultation with the Calculation Agent, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;

- (ii) such modification shall be made to the operation of these Bond Terms as may be determined in good faith by an Independent Adviser, in consultation with the Calculation Agent (if different), to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once; and
- (iii) other than pursuant to paragraph (a) above, no adjustment shall be made that would result in an increase to the Conversion Price.

13.2 Calculation of consideration

For the purpose of any calculation of the consideration receivable or price pursuant to paragraph (d), (f), (g) and (h) of Clause 13.1 (*Adjustments*), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Shares issued for cash shall be the amount of such cash;
- (b) (i) the aggregate consideration receivable or price for Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (whether on one or more occasions) and (ii) the aggregate consideration receivable or price for Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Ex-Date referred to in paragraph (d) of Clause 13.1 (*Adjustments*) or as at the relevant date of first public announcement referred to in paragraph (f), (g) or (h) of Clause 13.1 (*Adjustments*), as the case may be, plus in the case of each of (i) and (ii) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (iii) the consideration receivable or price per Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (i) or (ii) above (as the case may be) divided by the number of Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate, all as determined in good faith by the Calculation Agent;

- (c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency (other than in circumstances where such consideration is also expressed in the Relevant Currency, in which case such consideration shall be treated as expressed in the Relevant Currency in an amount equal to the amount of such consideration when so expressed in the Relevant Currency), it shall be converted by the Calculation Agent into the Relevant Currency at the Prevailing Rate on the relevant Ex-Date (for the purposes of paragraph (d) of Clause 13.1 (*Adjustments*)) or the relevant date of first public announcement (for the purpose of paragraph (f), (g) or (h) of Clause 13.1 (*Adjustments*), as the case may be);
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Shares or Securities or options, warrants or rights, or otherwise in connection therewith;
- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity;
- (f) if as part of the same transaction, Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted, if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Shares so issued; and
- (g) references in these Bond Terms to “cash” includes any promise or undertaking to pay cash or any release or extinguishment of, or set-off against, a liability or obligation to pay a cash amount.

13.3 Retroactive Adjustments

- (a) If the Conversion Date in relation to any exercise of Conversion Rights in respect of any Bond shall be after the record date in respect of any consolidation, reclassification or sub-division as is mentioned in paragraph (a) of Clause 13.1 (*Adjustments*), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in paragraph (b), (c), (d), (e) or (i) of Clause 13.1 (*Adjustments*), or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in paragraph (f) and (g) of Clause 13.1 (*Adjustments*) or of the terms of any such modification as is mentioned in paragraph (h) of Clause 13.1 (*Adjustments*), in any case where the relevant Conversion Date falls before the relevant adjustment to the Conversion Price becomes effective under Clause 13.1 (*Adjustments*) (such adjustment, a “**Retroactive Adjustment**”), then the Issuer shall procure that there shall be issued or transferred and delivered to the converting Bondholder, in accordance with the instructions contained in the Conversion Notice, such additional number of Shares (if any) (the “**Additional Shares**”) as, together with the Shares issued or transferred and delivered on the relevant exercise of Conversion Rights, (together with any fraction of a Share

not so issued or transferred and delivered), is equal to the number of Shares which would have been required to be issued or transferred and delivered in respect of such exercise of Conversion Rights if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date, all as determined by the Calculation Agent or an Independent Adviser, provided that if in the case of paragraph (b), (c), (d), (e) or (i) of Clause 13.1 (*Adjustments*) the relevant Bondholder shall be entitled to receive the relevant Shares, Dividends or Securities in respect of the Shares to be issued or transferred and delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Shares in relation thereto.

“**Reference Date**” means, in relation to a Retroactive Adjustment, the date on which the relevant adjustment to the Conversion Price takes effect or, in any such case, if that is not a Dealing Day, the next following Dealing Day.

13.4 Decision and Determination of the Calculation Agent or an Independent Adviser

- (a) Adjustments to the Conversion Price shall be determined and calculated by the Calculation Agent upon request from the Issuer and/or, to the extent so specified in these Bond Terms and upon request from the Issuer, by an Independent Adviser.
- (b) Adjustments to the Conversion Price calculated by the Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Bond Terms shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Bond Trustee, the Bondholders, the Calculation Agent (in the case of a determination by an Independent Adviser) and the Paying and Conversion Agent.
- (c) The Calculation Agent may consult, at the expense of the Issuer, on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Bond Trustee, the Bondholders or the Paying and Conversion Agent in respect of anything done, or omitted to be done, relating to that matter in good faith, in accordance with that adviser’s opinion.
- (d) The Calculation Agent shall act solely upon the request from, and exclusively as agent of, the Issuer and in accordance with these Bond Terms. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Bonds (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Calculation Agent as against the Bond Trustee, the Bondholders or the Paying and Conversion Agent.

13.5 Share or option schemes, Dividend reinvestment plans

No adjustment shall be made to the Conversion Price where Shares or other Securities (including, but not limited to, rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted (i) to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive

office or non-executive office, consultants or former consultants, or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to any share or option or incentive scheme or (ii) pursuant to any dividend reinvestment plan or similar plan or scheme.

13.6 No adjustment in connection with the Schemes

No adjustment shall be made to the Conversion Price as a consequence of any event or circumstance expressly contemplated by any of the Schemes, including but not limited to any issuance of Shares, Securities or debt claims (whether for cash, consideration in kind or no consideration and regardless of whether their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Shares) and any conversion of any of the foregoing into Shares or such Securities, in each case to the extent so contemplated.

13.7 Rounding down and notice of adjustment to the Conversion Price

- (a) On any adjustment, the resultant Conversion Price, if not an integral multiple of NOK 0.00001, shall be rounded down to the nearest whole multiple of NOK 0.00001. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than 1 per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.
- (b) Notice of any adjustments to the Conversion Price shall be given by the Issuer to Bondholders and to the Bond Trustee promptly after the determination thereof.
- (c) The Conversion Price shall not in any event be reduced to below the Par Value of the Shares and the Issuer undertakes that it shall not take any action, and shall ensure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such Par Value.

14. MERGER

14.1 Conversion Rights under Mergers

In the case of any consolidation, amalgamation or merger of the Issuer with any other corporation (other than a consolidation, amalgamation or merger in which the Issuer is the continuing corporation), the Issuer shall take such steps as shall be necessary (including the execution of an agreement supplemental to or amending the Bond Terms) to ensure that each Bond then outstanding will (during the period in which Conversion Rights may be exercised) be converted into the class and amount of shares and other securities and property receivable upon such consolidation, amalgamation or merger by a holder of the number of Shares which would have been issuable upon exercise of Conversion Rights immediately prior to such consolidation, amalgamation or merger. Such supplemental agreement shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments

provided for in Clause 13 (*Adjustment of the Conversion Price*). The above shall apply, *mutatis mutandis* to any subsequent consolidations, amalgamations or mergers.

14.2 Right to object

The provisions in this Clause 14 have no limitation on the creditor's right of objection to the merger or de-merger.

15. INFORMATION UNDERTAKINGS

15.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two months after the end of the relevant interim period.

15.2 Requirements as to Financial Reports

The Issuer shall procure that the Financial Reports delivered pursuant to Clause 15.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

15.3 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. Default interest in accordance with Clause 8.2 paragraph (c) will accrue as long as such Listing Failure Event is continuing.

15.4 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Acceleration Event or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Acceleration Event;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) 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;
- (d) if the Bonds are listed on the Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its rating and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD;

- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request;
- (h) of its own accord, inform the Bond Trustee of any event that results in an adjustment of the Conversion Price promptly thereafter; and
- (i) following the occurrence of a Change of Control Event, as soon as practicable (and in any case no later than 14 calendar days) after the Issuer becomes aware of it, notify the Bondholders (via the CSD), the Bond Trustee and (if the Bonds are listed or admitted to trading at the date of such Change of Control Event) the Exchange. The notice shall specify:
 - (i) the applicable Conversion Price in effect;
 - (ii) the Bondholders' entitlement to exercise their Conversion Rights;
 - (iii) the expiry of the Conversion Period; and
 - (iv) other relevant details (if any) concerning the Change of Control Event.
- (j) following the occurrence of a De-Listing Event, as soon as practicable (and in any case no later than 14 calendar days) after the Issuer becomes aware of it, notify the Bondholders (via the CSD) and the Bond Trustee. The notice shall specify:
 - (i) the applicable Conversion Price in effect;
 - (ii) the Bondholders' entitlement to exercise their Conversion Rights;
 - (iii) the expiry of the Conversion Period; and
 - (iv) other relevant details (if any) concerning the De-Listing Event.

16. GENERAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 16.

16.1 No dividends

The Issuer shall not declare or make any Dividend, interest, other distribution or payment in respect of any class of shares of the Issuer or any other obligation of the Issuer which ranks junior to the Bonds at any time while any PIK Bonds remain outstanding.

16.2 Commitment to sustainability

- (a) The Issuer shall seek to ensure that:
 - (i) on or before 31 December 2030, it has reduced carbon emissions by at least 45% per passenger kilometre compared to 2010 levels; and
 - (ii) it shall be among the leading airlines in the European airline industry in respect of emissions and sustainability.

16.3 Special covenants - convertible bonds

- (a) The Issuer shall ensure that all Shares issued upon exercise of the Conversion Right in respect of the Bonds shall be registered in the CSD on issue and, subject to paragraph (l) of Clause 12.2 above, shall be listed on the Relevant Stock Exchange and any other stock exchange on which the Shares may then be listed or quoted or dealt in as soon as practicable thereafter (but this covenant shall not be considered as being breached as a result of a Change of Control Event (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise including at the request of the person or persons controlling the Issuer as a result of the Change of Control Event, a de-listing of the Shares).
- (b) The Issuer shall use its best endeavours to ensure that the Shares shall remain listed on a Relevant Stock Exchange.

17. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

17.1 No Events of Default

- (a) The Bonds are not subject to 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 these 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).
- (b) Notwithstanding paragraph (a) above, the Bond Trustee may only demand repayment of the Bonds in accordance with Clause 17.2 (*Acceleration of the Bonds*) on or after the date on which any order is made or resolution is passed for the final liquidation, final winding-up or final dissolution (or 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) (an “**Acceleration Event**”). The Bond Trustee may not demand that the Bonds become payable in any other circumstances.

17.2 Acceleration of the Bonds

- (a) If an Acceleration Event has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 17.3 (*Bondholders’ instructions*) below, on written notice to the Issuer (an “**Acceleration Notice**”):
 - (i) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable; and/or
 - (ii) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.
- (b) In the case of a demand issued pursuant to paragraph (a)(i) above, the Acceleration Event shall however be deemed not to have occurred (and any Acceleration Notice made with reference to such Acceleration Event shall be deemed invalid and any steps

taken in relation thereto shall (to the extent legally possible) be reversed) if the order or resolution for the final liquidation, final winding-up or final dissolution (or analogous insolvency process in any jurisdiction) of the Issuer is revoked or otherwise no longer effective.

17.3 Bondholders' instructions

The Bond Trustee shall serve an Acceleration Notice pursuant to Clause 17.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the serving of an Acceleration Notice.

17.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of an Acceleration Notice shall be calculated at the call prices set out in Clause 10.2 (*Voluntary redemption - Call Option*), as applicable at the date when the Acceleration Notice was served, provided that if such date falls prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

18. BONDHOLDERS' DECISIONS

18.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of 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.
- (c) The Bondholders' Meeting may not adopt resolutions which would give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 19.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to subparagraphs (i) and (ii) of paragraph (a) of Clause 20.1 (*Procedure for*

amendments and waivers), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

18.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days of having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or disposing of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting,

chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "Chairperson").

- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "Representative"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes shall be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee shall ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

18.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 18 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee shall, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the

nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.

- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson shall have the deciding vote.

18.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 18.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 18.1 (*Authority of the Bondholders' Meeting*), Clause 18.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 18.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 18.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 18.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 18.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

18.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 18.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.

- (d) The provisions set out in Clause 18.1 (*Authority of the Bondholders' Meeting*), 18.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 18.3 (*Voting Rules*) and Clause 18.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 18.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 18.5 (*Written Resolution*),
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the “**Voting Period**”), which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), shall be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or paragraph (f) of Clause 18.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution shall also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision shall be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 18.1 (*Authority of Bondholders' Meeting*).

19. THE BOND TRUSTEE

19.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

19.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, by following up on the delivery of such documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Acceleration Event or event of default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Acceleration Event or event of default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separate accounts.
- (f) The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If any cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 19.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided in respect thereof) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate or partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

19.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which would give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

19.4 Expenses, liability and indemnity

- (a) The Bond Trustee shall not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee shall not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts;
or

- (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) 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 and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, 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 issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee shall be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged for the purpose of investigating or considering a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. 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, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 17.3 (*Bondholders' instructions*) or Clause 18.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

19.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 18 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.

- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 19.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 19.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

20. AMENDMENTS AND WAIVERS

20.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that such amendment or waiver:
 - (i) is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) is required by applicable law, a court ruling or a decision by a relevant authority;
or
 - (iii) has been duly approved by the Bondholders in accordance with Clause 18 (*Bondholders' Decisions*).

20.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

20.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 20 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with Clause 20.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

21. MISCELLANEOUS

21.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

21.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out the Bond Trustee's duties and exercising its rights in accordance with the Finance Documents and the Bond Trustee shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

21.3 Notices, contact information

Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (a) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (b) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (c) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be

given or made in writing, by letter, e-mail or fax. Any such notice or communication will be deemed to be given or made as follows:

- (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received;
 - (iii) if by fax, when received; and
 - (iv) if by publication on a relevant information platform, when published.
- (d) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- (e) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
- (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will 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 will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

21.4 The Calculation Agent

The Issuer reserves the right, subject to the prior approval of the Bond Trustee, under the Calculation Agency Agreement at any time to vary or terminate the appointment of the Calculation Agent and appoint another Calculation Agent, provided that it will maintain a Calculation Agent which shall be a financial institution of international repute or a financial adviser with appropriate expertise. Notice of any change in the Calculation Agent will promptly be given by the Issuer to Bondholders.

22. GOVERNING LAW AND JURISDICTION

22.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

22.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

22.3 Alternative jurisdiction

Clause 22 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATORIES:

The Issuer:

NORWEGIAN AIR SHUTTLE ASA

Name:

Title:

As Bond Trustee:

NORDIC TRUSTEE AS



Name:

Title:

SIGNATORIES:

The Issuer:

NORWEGIAN AIR SHUTTLE ASA

Per Christoffer Kise

Name: Per Christoffer Kise

Title: Head of Legal

As Bond Trustee:

NORDIC TRUSTEE AS

Name:

Title:

SCHEDULE 1
CONVERSION NOTICE

To: kuo@dnb.no

CONVERSION NOTICE - NORWEGIAN AIR SHUTTLE ASA PERPETUAL CONVERTIBLE BOND

We hereby give notice of conversion of Norwegian Air Shuttle ASA perpetual convertible bond loan, ISIN [●] (the “**Bonds**”).

We have made the following transfer of Bonds to your VPS account [●]:

From VPS account: [●]

Name: [●]

Amount of Bonds: [●]

Instruction reference: [●]

Please confirm you have received this conversion notice.

AMENDMENT AND RESTATEMENT AGREEMENT

dated 18 May 2021

in respect of

the bond agreement originally dated 9 December 2015, for the

**EUR 250,000,000 NORWEGIAN AIR SHUTTLE ASA SENIOR SECURED BOND ISSUE 2015/2019
("NAS07")**

and

the bond agreement originally dated 7 February 2017, for the

**SEK 963,500,000 NORWEGIAN AIR SHUTTLE ASA SENIOR SECURED BOND ISSUE 2017/2020
("NAS08")**

THIS AMENDMENT AND RESTATEMENT AGREEMENT (the “**Agreement**”) is dated 18 May 2021 and made between:

- (1) **NORWEGIAN AIR SHUTTLE ASA**, a company existing under the laws of Norway with registration number 965 920 358 and LEI-code 54900IEUH2FEM2Y6B51 (the “**Issuer**”);
- (2) **NORWEGIAN AIR NORWAY AS**, a limited liability company incorporated with limited liability under the laws of Norway with business registration number 912 084 949 as obligor (“**NAN**”),
- (3) **NAS EIRE INVEST AS**, a limited liability company incorporated with limited liability under the laws of Norway with business registration number 821 805 252 as obligor (“**NEI**”, and together with NAN, the “**Obligors**”) and
- (4) **NORDIC TRUSTEE AS**, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85 (the “**Bond Trustee**”)

each a “**Party**” and together the “**Parties**”.

WHEREAS:

- (A) Pursuant to a summons for written resolutions dated 12 March 2021 (the “**Summons**”) in respect of the EUR 250,000,000 Norwegian Air Shuttle ASA Senior Secured Bond Issue 2015/2019 (“**NAS07**” or the “**NAS07 Bond Issue**”) and the SEK 963,500,000 Norwegian Air Shuttle ASA Senior Secured Bond Issue 2017/2020 (“**NAS08**” or the “**NAS08 Bond Issue**” and together with the NAS07 Bond Issue, the “**Bonds Issues**”), the Issuer requested the Bond Trustee to summon a bondholder’s written resolution to consider the approval of certain proposed amendments to the bond terms for NAS07 dated 9 December 2015 (as later amended and restated) and the bond terms for NAS08 dated 7 February 2017 (as later amended and restated) (together the “**Bond Terms**”), as set out in Appendix 1 and Appendix 2 to the Summons (the “**Proposal**”).
- (B) On 20 March 2021, the Proposal was adopted according to the voting requirements under each of the Bond Terms.
- (C) Pursuant to the Proposal, the amount outstanding under the Bond Issues as against the Issuer shall be converted to NOK and written down to NOK 750,000,000 (the “**NAS13 Issue Amount**”) and the Unsecured Portion be treated as unsecured debt under and in accordance with the Schemes (each as defined below) (the “**NAS13 Conversion**”).
- (D) Further, the Proposal sets out that with respect to the NAS13 Issue Amount, the Original Bond Terms (as defined below) shall be combined and amended to one agreement to reflect the terms set out in the term sheet in schedule 1 to the Proposal (the “**NAS13 Term Sheet**”).
- (E) The Parties have entered into this Agreement to:
 - (i) amend the Original Bond Terms in line with the Proposal;
 - (ii) document the necessary steps to implement the NAS13 Conversion and facilitate the issuance of New Capital Perpetual Bonds, Retained Claims Bonds and/or Dividend Claims (as applicable) under and in accordance with the Schemes; and

- (iii) provide continuing security for the payment, discharge and performance of the Secured Obligations (as defined below).

IT IS AGREED AS FOLLOWS:

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In this Agreement, including the preamble hereto (unless the context otherwise requires), all capital terms or expressions shall have the meaning ascribed to such term in the Amended and Restated Bond Terms (for the avoidance of doubt, irrespective of whether the Effective Time has occurred) unless otherwise explicitly defined herein. In addition:

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

“Aggregate Relevant Unsecured Bond Portion” shall have the meaning ascribed to such term in Clause 7.3(a)(ii).

“Dividend Claims” shall have the meaning ascribed to such term in the Schemes.

“Effective Time” means the time when the conditions pursuant to Clause 3 (*Conditions Precedent*) have been satisfied.

“Eligible New Capital Perpetual Bonds Creditor” shall have the meaning ascribed to such term in the Schemes.

“Examinership” means the examinership of the Issuer and certain of its subsidiaries granted by the High Court of Ireland on 7 December 2020.

“Existing Secured Obligations” means up to the Effective Time, all obligations of the Issuer arising under or in respect of the Bond Issues (including, without limitation, the obligation to pay principal, interest and all other charges, fees or expenses related to or in respect of the obligations contained under the Finance Documents).

“Long Stop Date” shall mean 30 June 2021.

“Manager” means DNB Markets, a part of DNB Bank ASA.

“NAS07 Secured Bond Amount” means NOK 544,520,557.

“NAS08 Secured Bond Amount” means NOK 205,479,443.

“NAS07 Unsecured Portion” means NOK 807,806,310, being the remaining outstanding amount under the NAS07 Bond Issue following deduction of the NAS07 Secured Bond Amount.

“NAS08 Unsecured Portion” means NOK 304,832,551, being the remaining outstanding amount under the NAS08 Bond Issue following deduction of the NAS08 Secured Bond Amount.

“NAS13 Secured Obligations” means, following occurrence of the Effective Time, the Secured Obligations (as defined in the Amended and Restated Bond Terms).

“New Capital Perpetual Bonds” shall have the meaning ascribed to such term in the Schemes.

“NOK Conversion” shall have the meaning ascribed to such term in Clause 6.3.

“Original Bond Terms” means the Original NAS07 Bond Terms and the Original NAS08 Bond Terms.

“Original NAS07 Bond Terms” means the bond terms for NAS07 originally dated 9 December 2015 (as later amended and restated).

“Original NAS08 Bond Terms” means the bond terms for NAS08 originally dated 7 February 2017 (as later amended and restated).

“Outstanding NAS07 Bond Amount” means EUR 126,250,000.

“Outstanding NAS08 Bond Amount” means SEK 486,567,500.

“Participating Bondholders” shall have the meaning ascribed to such term in Clause 7.1.

“Paying Agent” means DNB Bank ASA.

“Petition Date” shall mean 18 November 2020.

“Reconstruction” means the reconstruction of the Issuer granted by the Oslo Probate Court on 8 December 2020.

“Relevant Unsecured Bond Portion” shall have the meaning ascribed to such term in Clause 6.3.

“Retained Claims Bonds” shall have the meaning ascribed to such term in the Schemes.

“Scheme Effective Time” shall have the meaning ascribed to the term “Effective Time” under the Schemes.

“Schemes” means the schemes of arrangement relating to each of the companies subject to the Examinership and the reconstruction plan under the Reconstruction.

“Secured Bond Amount” means NOK 750,000,000, being the agreed value of the Security Interest granted by the Issuer under the Bond Issues.

“Security” shall have the same meaning as ascribed to such term in the Bond Terms.

“Security Interest” shall have the meaning ascribed to such term in the Bond Terms.

“Temporary NAS07 NOK Bond” shall have the meaning ascribed to such term in Clause 6.3(c)(i).

“Temporary NAS08 NOK Bond” shall have the meaning ascribed to such term in Clause 6.3(c)(ii).

“Unsecured Bond ISIN” shall have the meaning ascribed to such term in Clause 6.4(b).

“Unsecured Bond Separation” shall have the meaning ascribed to such term in Clause 6.4(a)(ii).

“Unsecured Portions” means NOK 1,112,638,861, being the NOK equivalent of the remaining outstanding amount under the Bond Issues following the NOK Conversion and deduction of the Secured Bond Amount.

2.2 Construction

Unless a contrary indication appears, any reference in this Agreement to:

- (a) a Clause or a Schedule is a reference to a clause of, or a schedule to, this Agreement except otherwise indicated;
- (b) words denoting the singular number shall include the plural and vice versa;
- (c) a person includes its successors in title, permitted assignees and permitted transferees; and
- (d) this Agreement or any other document, agreement or other instrument under any Finance Document is a reference to this Agreement or any other document, agreement or instrument under any Finance Document as amended, novated, supplemented, extended or restated from time to time.

Clause and Schedule headings are for ease of reference only.

3. CONDITIONS PRECEDENT

3.1 The provisions of Clause 5.1.1 (*Amendment and Restatement*) shall automatically become effective once:

- (a) the Scheme Effective Time has occurred;
- (b) the steps set out under Clause 6.3 (*NOK Conversion*), Clause 6.4 (*Separation of Unsecured Portion*) and Clause 7.3 (*Issuance of Retained Claims Bonds*) have been completed; and
- (c) the Bond Trustee has received or, in respect of any condition which by its nature cannot be satisfied prior to the Effective Time, will upon the occurrence of the Effective Time receive all the documents and other evidence listed in Schedule 1 (*Conditions Precedent to the Effective Time*), in a form and substance satisfactory to the Bond Trustee.

3.2 The Bond Trustee may (in its sole discretion) waive (in whole or in part and with or without conditions) the fulfilment of any condition and/or delivery of any document and/or other evidence specified in this Clause 3.

4. REPRESENTATIONS

The Issuer and each Obligor represents and warrants that this Agreement constitutes legal, valid, binding and enforceable obligations of such party and that all authorisations, approvals, consents required in connection with the entering into, performance, validity and enforceability of this Agreement and the transactions contemplated hereby are or will be in full force and effect.

5. AMENDMENT AND RESTATEMENT

5.1 Amendment and restatement

5.1.1 With effect from the Effective Time, the Original Bond Terms shall be amended and restated as set out in Schedule 2 (*Amended and Restated Bond Terms*).

5.2 Continuing obligations

- (a) The provisions of the Original Bond Terms and the other Finance Documents (including the Security Documents) shall, save as amended and restated by this Agreement, continue in full force and effect.
- (b) With effect from the Effective Time, reference to the “Bond Terms” or the “Bond Agreement” in the Amended and Restated Bond Terms and any other Finance Document shall be construed as reference to the Amended and Restated Bond Terms.
- (c) For the avoidance of doubt, the Issuer and each Obligor confirms to the benefit of the Bond Trustee that the Security created by them pursuant to each Security Document to which they are a party shall remain in full force and effect and continue to secure the obligations and liabilities under the Amended and Restated Bond Terms and the other Finance Documents, however such that with effect from the Effective Time, the Security shall be limited to secure the NAS13 Secured Obligations only.
- (d) The Issuer and each Obligor confirms to the benefit of the Bond Trustee that the Security created by them pursuant to each Security Document to which they are a party shall remain in full force and effect and continue to secure:
 - (i) up to the Effective Time, the Existing Secured Obligations; and
 - (ii) from the occurrence of the Effective Time, the NAS3 Secured Obligations.

6. NAS13 IMPLEMENTATION

6.1 Clause 6.3 to Clause 6.5 below sets out the general principles for implementation of the NAS13 Conversion and Clause 7.3 sets out the mechanisms which the Parties intend to implement to facilitate the issuance of New Capital Perpetual Bonds, Retained Claims Bonds and/or Dividend Claims (as applicable) under and in accordance with the Schemes (the “Purpose”).

6.2 The Parties shall cooperate in good faith to achieve the Purpose and may adjust the steps to the extent necessary or desirable in order to achieve the Purpose.

6.3 To implement the conversion of the Outstanding NAS07 Bond Amount and the Outstanding NAS08 Bond Amount to NOK (the “NOK Conversion”), the Parties have agreed the following:

- (a) On or about 5 May 2021, the Issuer and the Bond Trustee shall deliver a call notice under each Bond Issue to the Paying Agent, substantially in the form set out in Schedule 3 (*Call Notice - NOK Conversion*) hereto, to initiate the conversion of the Outstanding NAS07 Bond Amount and the Outstanding NAS08 Bond Amount to NOK in the CSD.
- (b) The Outstanding NAS07 Bond Amount and the Outstanding NAS08 Bond Amount shall be converted to NOK using the daily exchange rates maintained by Norges Bank as at the Petition Date, being NOK 10,7115 for 1 EUR and NOK 1,0488 for 1 SEK.

- (c) In order to register the NOK Conversion in the CSD;
 - (i) NOK 1,352,326,867 shall be issued in the CSD on a new ISIN (the “**NAS07 Secured NOK ISIN**”) replacing the existing NAS07 ISIN for the NAS07 Bond Issue and continue to be governed by the Original NAS07 Bond Terms (mutatis mutandis) (the “**Temporary NAS07 NOK Bond**”);
 - (ii) NOK 510,311,994 shall be issued in the CSD on a new ISIN (the “**NAS08 Secured NOK ISIN**”) replacing the existing NAS08 ISIN and continue to be governed by the Original NAS08 Bond Terms (mutatis mutandis) (the “**Temporary NAS08 NOK Bond**”); and
 - (iii) the Existing Secured Obligations shall continue to be fully secured by the Security.

6.4 Subject to completion of Clause 6.3 (*NOK Conversion*) above, the Parties have agreed the following:

- (a) On or about 7 May 2021, the Issuer and the Bond Trustee shall deliver an instruction letter to the Paying Agent, substantially in the form set out in Schedule 4 (“*Unsecured Bond Separation - Instruction Letter*”) hereto, in order to initiate:
 - (i) the separation of the NAS07 Unsecured Portion from the Temporary NAS07 NOK Bond; and
 - (ii) the separation of the NAS08 Unsecured Portion from the Temporary NAS08 NOK Bond ((i) and (ii) together, the “**Unsecured Bond Separation**”).
- (b) The NAS07 Unsecured Portion and the NAS08 Unsecured Portion shall be placed on two separate temporary ISINs (the “**Unsecured Bond ISINs**”) for the purpose of:
 - (i) identifying the bonds to be discharged against issuance of Retained Claims Bonds (as described under Clause 7.3 below); and
 - (ii) identifying the bonds to be discharged against Dividend Claims following separation of the Aggregate Relevant Unsecured Bond Portion (as described under Clause 7.3 below).
- (c) The NAS07 Secured Bond Amount shall remain on the NAS07 Secured NOK ISIN following the Unsecured Bond Separation and shall be governed by the Original NAS07 Bond Terms (mutatis mutandis) until the Effective Time has occurred.
- (d) The NAS08 Secured Bond Amount shall remain on the NAS08 Secured NOK ISIN following the Unsecured Bond Separation and shall be governed by the Original NAS08 Bond Terms (mutatis mutandis) until the Effective Time has occurred.
- (e) On or about the Effective Time, the NAS07 Secured NOK ISIN and the NAS08 Secured NOK ISIN shall be merged such that the NAS07 Secured Bond Amount and the NAS08 Secured Bond Amount is placed on the same ISIN.
- (f) For the avoidance of doubt, each of the NAS07 Secured Bond Amount, the NAS08 Secured Bond Amount, the NAS07 Unsecured Portion and the NAS08 Unsecured Portion

shall continue to be fully secured by the Security up until the occurrence of the Effective Time.

- 6.5 With respect to the Unsecured Portions, the Bondholders under the Bond Issues shall receive a dividend equal to 5% of the Unsecured Portions which shall be satisfied by (i) payment of a cash dividend from a fixed pool of NOK 500,000,000 to be distributed across all unsecured creditors on a pro rata basis (as more particularly described in the Schemes, the “**Cash Pot Entitlement**”), and (ii) the conversion of its Unsecured Portion less its Cash Pot Entitlement into Dividend Claims (at their nominal amount), in full and final satisfaction of the Unsecured Portions under the Bond Issues.

7. ISSUANCE OF RETAINED CLAIMS BONDS

- 7.1 On or about the date hereof, the Bond Trustee (as an Eligible New Capital Perpetual Bond Creditor) have subscribed for New Capital Perpetual Bonds on behalf of certain Bondholders (the “**Participating Bondholders**”).

- 7.2 In accordance with the Schemes, each Eligible New Capital Perpetual Bond Creditor that participates in the New Capital Perpetual Bonds Offering shall receive Retained Claims Bonds in an amount equal to the 200% of the aggregate nominal amount of New Capital Perpetual Bonds allocated to such Eligible New Capital Perpetual Bonds Creditor. Such Retained Claims Bonds will be issued by the Issuer to the Participating Bondholders in full and final satisfaction of the portion of the Unsecured Portion that is equal to the aggregate face value of the Retained Claims Bonds issued to such Participating Bondholders.

- 7.3 Subject to completion of the Unsecured Bond Separation and to facilitate the issuance of Retained Claims Bonds against discharge of the Aggregate Relevant Unsecured Bond Portion (as defined below), the Parties have agreed the following:

- (a) Between 11 May and 18 May 2021, the Manager shall, in cooperation with the Bond Trustee:
- (i) identify (A) the Participating Bondholders, and (B) the portion of Bonds related to the Unsecured Portion held by each Participating Bondholder which corresponds to the aggregate face value of the Retained Claims Bonds to be issued to such Participating Bondholder in satisfaction of such Unsecured Portion (such portion being, with respect to each Participating Bondholder, the “**Relevant Unsecured Bond Portion**” and, the aggregate bond portion which corresponds to the aggregate face value of the Retained Claims Bonds to be issued to all Participating Bondholders being the “**Aggregate Relevant Unsecured Bond Portion**”);
 - (ii) instruct each Participating Bondholder to initiate a sale order in the VPS with respect to its Relevant Unsecured Bond Portion; and
 - (iii) instruct each Participating Bondholder to initiate a purchase order in the VPS with respect to the aggregate face value of the Retained Claims Bonds to be issued to such Participating Bondholder.
- (b) The Aggregate Relevant Unsecured Bond Portion shall be placed on a separate ISIN which shall be discharged in full against issuance of the Retained Claims Bonds on or about the Scheme Effective Time.

- (c) On or about the Scheme Effective Time, the Issuer and the Bond Trustee shall deliver a call notice in respect of the Aggregate Relevant Unsecured Bond Portion such that the Aggregate Relevant Unsecured Bond Portion is converted into Retained Claims Bonds on a 1:1 basis.

7.4 Following separation of the Aggregate Relevant Unsecured Portion from the Unsecured Bond ISIN and upon the occurrence of the Scheme Effective Time, the Unsecured Bond ISIN shall remain as an unsecured bond, solely for the purpose of identifying the Bondholders which shall receive Dividend Claims. For the avoidance of doubt, following the occurrence of the Scheme Effective Time, the bonds placed on the Unsecured Bond ISIN shall not constitute debt obligations of the Issuer.

8. LONG STOP DATE REVERSAL

8.1 The Parties agree that steps taken prior to the Scheme Effective Date are taken for practical purposes in order to be able to implement the amendments contemplated hereby on the Scheme Effective Date.

8.2 Consequently, no debt shall be discharged or security interests released with final effect prior to the Effective Time and subject to the occurrence of the Effective Time, irrespective of any actions taken or registrations being made in the CSD.

8.3 If the Effective Time has not occurred within the Long Stop Date or it becomes clear prior to the Long Stop Date that the Effective Time will not occur, then (a) the Existing Secured Obligations shall continue in full force and effect and continue to be fully secured by all Security on the terms governing it prior to the Schemes and irrespective of the approval by the relevant bondholders of the Proposals, and (b) the parties shall cooperate in good faith to reverse any steps already taken in relation to such implementation (to the extent possible taking into account the procedures of the CSD), including:

- (a) If the NOK Conversion has been completed, but the Effective Time does not occur on or before the Long Stop Date;
 - (i) the NAS07 Bond Issue shall continue to be governed by the Original NAS07 Bond Terms (*mutatis mutandis*);
 - (ii) the NAS08 Bond Issue shall continue to be governed by the Original NAS08 Bond Terms (*mutatis mutandis*); and
 - (iii) the Existing Secured Obligations shall continue to be fully secured by the Security.
- (b) If any of the steps set out in Clause 6.4 (*Separation of Unsecured Portion*) and/or Clause 7.3 (*Issuance of Retained Claims Bonds*) above has been completed, but the Effective Time does not occur on or before the Long Stop Date;
 - (i) the NAS07 Unsecured Portion shall be converted back into the Temporary NAS07 NOK Bond;
 - (ii) the NAS08 Unsecured Portion shall be converted back into the Temporary NAS08 NOK Bond;

- (iii) the NAS07 Bond Issue shall continue to be governed by the Original NAS07 Bond Terms (*mutatis mutandis*);
- (iv) the NAS08 Bond Issue shall continue to be governed by the Original NAS08 Bond Terms (*mutatis mutandis*); and
- (v) the Existing Secured Obligations shall continue to be fully secured by the Security.

9. 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, the Obligors 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, the Obligors 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 9(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

By: Per Christoffer Kise
Name: Per Christoffer Kise
Title: Head of Legal

The Obligors

Norwegian Air Norway AS

By: Per Christoffer Kise
Name: Per Christoffer Kise
Title: Head of Legal

NAS Eire Invest AS

By: Per Christoffer Kise
Name: Per Christoffer Kise
Title: Head of Legal

The Bond Trustee

Nordic Trustee AS

By: _____
Name:
Title:

SIGNATORIES:

The Issuer

Norwegian Air Shuttle ASA

By: _____

Name:

Title:

The Obligors

Norwegian Air Norway AS

By: _____

Name:

Title:

NAS Eire Invest AS

By: _____

Name:

Title:

The Bond Trustee

Nordic Trustee AS

By:  _____

Name:

Title:

SCHEDULE 1
CONDITIONS PRECEDENT TO THE EFFECTIVE TIME

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:

1. the Bond Terms duly executed by all parties;
2. completion of the Intercompany Claim Conversion;
3. a minimum allocation of NOK 240,000,000 in the New Capital Perpetual Bond (as defined in the Schemes);
4. the Issuer's outstanding senior secured bond issue 2017/2020 with ISIN NO 001 0809940 to be repaid at par value of NOK 250,000,000, plus fees and expenses and accrued interest upon emergence from the Schemes;
5. the Slot Valuation Report dated 3 February 2021;
6. amended Excess Slot Disposal Proceeds Account Pledge Agreement and the Share Charge duly executed by all parties and perfected;
7. the Guarantee duly executed;
8. 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;
9. 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;
10. 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;
11. copies of the Guarantor's articles of association and of a full extract from the relevant company register in respect of the Guarantor evidencing that the Guarantor is validly existing;
12. copies of all necessary corporate resolutions of the Guarantor to execute the Finance Documents to which it is a party;
13. a copy of a power of attorney (unless included in the corporate resolutions) of the Guarantor to the 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 Guarantor;
14. copies of the Issuer's latest Financial Reports (if any);

15. confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
16. confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
17. 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;
18. the Bond Trustee Fee Agreement duly executed by the parties thereto; and
19. 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 sole discretion, may waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

SCHEDULE 2
AMENDED AND RESTATED BOND TERMS

NOK 750,000,000

BOND TERMS

dated 18 May 2021

for

Norwegian Air Shuttle ASA FRN senior secured NOK 750,000,000 bonds 2021/2026

ISIN NO 0010996390

with

Nordic Trustee AS

acting as Bond Trustee

www.bahr.no

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SCHEDULE 1 Compliance Certificate

BOND TERMS between

ISSUER: Norwegian Air Shuttle ASA, a company existing under the laws of Norway with registration number 965 920 358 and LEI-code 54900IEUH2FEM2Y6B51; and

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

DATED: 18 May 2021

These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“Accounting Standard” means GAAP.

“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.

“Affiliate” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person who has Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity who has Decisive Influence over that person (directly or indirectly).

“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 965/212.

“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).

“Annual Financial Statements” means the audited unconsolidated and consolidated annual financial statements of the Issuer and the Slot Owner for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“Attachment” means any schedule, appendix or other attachment to these Bond Terms.

“Bond Terms” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“Bond Trustee” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“Bond Trustee Fee Agreement” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“Bondholder” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“Bondholders’ Meeting” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“Bonds” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“Business Day” means a day on which both the relevant CSD settlement system is open, and the relevant currency of the Bonds settlement system is open.

“Business Day Convention” means that 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.

“Call Option” has the meaning given to it in Clause 10.2 (*Voluntary early redemption - Call Option*).

“Call Option Repayment Date” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption - Call Option*), Clause 10.3(d) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“Change of Control Event” means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.

“Compliance Certificate” means a statement substantially in the form as set out in Schedule 1 hereto.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“**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 (directly or indirectly):

- (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.

“**Default Notice**” means a written notice to the Issuer as described in Clause 0 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**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 any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Examinership**” means the examinership of the Issuer and certain of its Subsidiaries granted by the High Court of Ireland on 7 December 2020.

“**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 such proceeds received prior to occurrence of the Slot Disposal Trigger Event (such excluded proceeds being limited to USD 15,000,000), 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 such disposal of Slots; and
- (c) any deferred consideration (but only until received).

“**Excess Slot Disposal Proceeds Account**” means an account or series of accounts of the Slot Owner, held with one or more banks and in such currencies as the Slot Owner sees fit, irrevocably pledges 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 Disposal Proceeds Account, made in favour of the Bond Trustee for the benefit of the Bondholders.

“Exchange” means:

- (a) Oslo Børs (the Oslo Stock Exchange); or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

“Finance Documents” means these Bond Terms, the Bond Trustee Fee Agreement, any Security Document, the Guarantee and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

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

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (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, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalized as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the

agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;

- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“Financial Reports” means the Annual Financial Statements and the Interim Accounts.

“Financial Support” means any loans, guarantees, Security securing obligations of another person or other financial assistance (whether actual or contingent).

“First Call Date” means the Issue Date.

“GAAP” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

“Group” means the Issuer and its Subsidiaries from time to time.

“Group Company” means any person which is a member of the Group.

“Guarantee” means an unconditional Norwegian law guarantee (Norwegian: *“selvskyldnerkausjon”*) issued by the Guarantor in respect of all present and future obligations and liabilities of the Issuer under the Finance Documents.

“Guarantor” means Norwegian Air Norway AS, a company existing under the laws of Norway with registration number 912 084 949 and any other entity becoming a Slot Owner.

“IFRS” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“Initial Nominal Amount” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“Insolvent” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“Intercompany Claim Conversion” means the debt to equity conversion of the intercompany claim payable by the Guarantor towards the Issuer, such equity to be transferred by the Issuer to NAS Eire Invest AS and subject to the Share Charge.

“Intercompany Claims” means any amount payable between the Guarantor and any other member of the Group to the extent the aggregate receivable outstanding between two such entities is in excess of NOK 10,000,000 and expected to be outstanding for more than 3 months.

“Interest Payment Date” means the last day of each Interest Period, the first Interest Payment Date being 1 December 2023 and the last Interest Payment Date being the Maturity Date.

“Interest Period” means, subject to adjustment in accordance with the Business Day Convention, the period between 1 June and 1 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date and provided that no interest shall accrue on the Bonds from and including the Issue Date until 1 June 2023.

“Interest Quotation Day” means, in relation to any period for which Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.

“Interest Rate” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“Interim Accounts” means the unaudited consolidated quarterly financial statements of the Issuer and the financial statements of the Slot Owner for the quarterly period ending on 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with the Accounting Standard.

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

“Issue Date” means 26 May 2021.

“Issuer” means the company designated as such in the preamble to these Bond Terms.

“Issuer’s Bonds” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“Listing Failure Event” means:

- (a) that the Bonds have not been admitted to listing on an Exchange within 6 months following 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.

“Margin” means 2,00 per cent.

“Material Adverse Effect” means a material adverse effect on:

- (a) the ability of the Issuer or the Guarantor 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 26 May 2026, adjusted according to the Business Day Convention.

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

“Nominal Amount” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph 16.2(j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“Obligor” means the Issuer and any Guarantor(s).

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

“Ordinary Slot Disposal Proceeds” means any cash proceeds received by the Slot Owner other than Excess Slot Disposal Proceeds arising from the sale, trade, swap or other disposal of the Slot Owner’s Slots 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).

“Ordinary Slot Disposal Proceeds Account” means an account of the Slot Owner, held with a bank and in such currency as the Slot Owner sees fit, irrevocably pledged pursuant to the Ordinary Slot Disposal Proceeds Account Pledge, and from which the funds credited may only be used for investments in the Slots.

“Ordinary Slot Disposal Proceeds Account Pledge” means the first priority account pledge over the Ordinary Slot Disposal Proceeds Account, made in favour of the Bond Trustee for the benefit of the Bondholders.

“Outstanding Bonds” means any Bonds not redeemed or otherwise discharged.

“Overdue Amount” means any amount required to be paid by an Obligor under any of the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“Partial Payment” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“Paying Agent” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“Payment Date” means any Interest Payment Date or any Repayment Date.

“Permitted Security” means any security:

- (a) granted by Arctic Aviation or its subsidiaries;
- (b) expressly contemplated in any Scheme to subsist following effectiveness of the Examinership and the Reconstruction, or any immediate or subsequent financing in relation thereto;
- (c) securing any Financial Indebtedness incurred by the Group which is:
 - (i) wholly or partially guaranteed or provided by any government (including any governmental institution) to the Group or forms part of a financing arrangement involving any such Financial Indebtedness; or
 - (ii) incurred to enable the Group to cover corporate expenses during the restrictions on commercial air traffic as a result of the Covid-19 pandemic; or
- (d) securing any trade instrument issued in respect of the obligations of any member of the Group arising in the ordinary course of trading of that member of the Group.

“Put Option” has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“Put Option Event” means a Change of Control Event, a De-Listing Event or a Material Disposal Event.

“Put Option Repayment Date” means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“Quotation Business Day” means a day on which Norges Bank’s settlement system is open.

“Reconstruction” means the reconstruction of the Issuer granted by the Oslo Probate Court on 8 December 2020.

“Reference Rate” shall mean NIBOR (Norwegian Interbank Offered Rate) being;

- (a) the screen rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the relevant Interest Period:
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or

- (ii) a rate for deposits in the currency of the Bonds for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the screen rate under paragraph (a) is no longer available, the reference rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such reference rate that best reflects the rate for deposits in the currency of the Bonds offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“Relevant Jurisdiction” means the country in which the Bonds are issued, being Norway.

“Relevant Record Date” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (d) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (e) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“Repayment Date” means any date for payment of instalments in accordance with Clause 10.1 (*Redemption of Bonds*), any Call Option Repayment Date, the Default Repayment Date, the Put Option Repayment Date or the Maturity Date.

“Scheme” means any Scheme of Arrangement or any reconstruction plan approved under the Reconstruction.

“Scheme of Arrangement” means any scheme of arrangement formulated by the examiner of the Issuer in the Examinership pursuant to section 534 of the Irish Companies Act 2014.

“Secured Obligations” means all present and future obligations and liabilities of the Obligor under the Finance Documents.

“Secured Parties” means the Security Agent and the Bond Trustee on behalf of itself and the Bondholders.

“Securities Trading Act” means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

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

“Security Agent” means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

“**Security Documents**” means, collectively, all the documents which shall be executed, delivered or amended (as the case may be) pursuant to Clause 2.5 (*Transaction Security*).

“**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 15,000,000 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 the Guarantor 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 the Transaction Security, 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.

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

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**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.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Security Documents.

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

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European time unless otherwise stated;
- (e) references to a provision of “**law**” is a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*),
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds in the amount of NOK 750,000,000.
- (b) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway.
- (c) The Initial Nominal Amount of each Bond is NOK 1.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1.

2.2 Tenor of the Bonds

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

2.3 Use of proceeds

The Issuer will use the net proceeds from the issuance of the Bonds for the general corporate purposes of the Group.

2.4 Status of the Bonds

The Bonds, including any accrued interest and any other amounts due in respect of the Bonds, will constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and will rank at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

2.5 Transaction Security

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Security is granted (or continued, as the case may be) in favour of the Security Agent with first priority:
 - (i) the Share Charge;
 - (ii) the Assignment of Intercompany Claims;
 - (iii) the Excess Slot Disposal Proceeds Account Pledge; and
 - (iv) the Ordinary Slot Disposal Proceeds Account Pledge.
- (b) The Bonds will be guaranteed by the Guarantor on a senior basis pursuant to the terms of the Guarantee, and the Guarantee will rank at least *pari passu* with all other obligations of the Guarantor (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

- (c) The Transaction Security and the Guarantee shall be entered into on such terms and conditions as the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall ensure that the Bonds are listed on an Exchange no later than the date falling 6 months after the Issue Date.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) 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) completion of the Intercompany Claim Conversion;
 - (iii) a minimum allocation of NOK 240,000,000 in the New Capital Perpetual Bond (as defined in the Scheme of Arrangement);
 - (iv) the Slot Valuation Report dated 3 February 2021;
 - (v) the Issuer's outstanding senior secured bond issue 2017/2020 with ISIN NO 001 0809940 to be repaid at par value of NOK 250,000,000, plus fees and expenses and accrued interest upon emergence from the Scheme;
 - (vi) amended Excess Slot Disposal Proceeds Account Pledge Agreement and the Share Charge duly executed by all parties and perfected;
 - (vii) the Guarantee duly executed;
 - (viii) 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;
 - (ix) 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;
 - (x) 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;

- (xi) copies of the Guarantor's articles of association and of a full extract from the relevant company register in respect of the Guarantor evidencing that the Guarantor is validly existing;
 - (xii) copies of all necessary corporate resolutions of the Guarantor to execute the Finance Documents to which it is a party;
 - (xiii) a copy of a power of attorney (unless included in the corporate resolutions) of the Guarantor to the 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 Guarantor;
 - (xiv) copies of the Issuer's latest Financial Reports (if any);
 - (xv) confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (xvi) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (xvii) 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;
 - (xviii) the Bond Trustee Fee Agreement duly executed by the parties thereto; and
 - (xix) 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).
- (b) The Bond Trustee, acting in its sole discretion, may waive the requirements for documentation set out in this Clause 6 or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself to the Bond Trustee (on behalf of the Bondholders) on the Issue Date and with reference to the facts and circumstances then existing.

7.1 Status

It is a public 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.

7.2 Power and authority

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

7.3 Valid, binding and enforceable obligations

These Bond Terms 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.

7.4 Non-conflict with other obligations

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

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any drawdown under these Bond Terms or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorizations and consents

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

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

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

7.7 Financial Reports

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

7.8 No Material Adverse Effect

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

7.9 No misleading information

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

7.10 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 these Bond Terms.

7.11 *Pari passu* ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

7.12 Security

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

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. 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.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 2 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above-mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
 - (i) the Bond Trustee has served a Default Notice in accordance with Clause 0 (*Acceleration of the Bonds*), or
 - (ii) as a result of a resolution according to Clause 15 (*Bondholders' decisions*).

8.4 Taxation

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and

- (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) 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 shall not be responsible for reimbursing any such fees.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the denomination of the Bonds set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*). If, however, the denomination differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period. For the avoidance of doubt, no interest shall accrue on the Bonds from and including the Issue Date until 1 June 2023.
- (b) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

- (a) The Bonds shall be repaid by the Issuer in the following instalments:

Payment Date	Amount
30 days from the Issue Date	NOK 50,000,000
One year from the Issue Date	NOK 125,000,000
Two years from the Issue Date	NOK 125,000,000
Three years from the Issue Date	NOK 125,000,000
Four years from the Issue Date	NOK 125,000,000
Maturity Date	NOK 200,000,000
Sum	NOK 750,000,000

- (b) Instalment payments will be made pro rata in accordance with the applicable regulations of the CSD.
- (c) Any remaining Outstanding Bonds will be redeemed in full on the Maturity Date at a price equal to 100% (one hundred per cent) of the Nominal Amount.

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem the Bonds (in whole or part) (the “Call Option”) on any Business Day from and including:
- (i) 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;
- (b) Any redemption of Bonds pursuant to Clause 10.2(a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.
- (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “Put Option”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101% per cent. of par plus accrued interest.

- (b) The Put Option must be exercised within 60 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 60 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3 (*Mandatory repurchase due to a Put Option Event*), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Disposal of Slots

- (a) The Issuer shall procure that the Slot Owner shall:
 - (i) upon receipt promptly credit the Ordinary Slot Disposal Proceeds with the Ordinary Slot Disposal Proceeds Account; and
 - (ii) only apply amounts standing to the credit of the Ordinary Slot Disposal Proceeds Account:
 - (A) towards investments in the Slots; or
 - (B) to redeem the Bonds, at a price corresponding to the then prevailing Call Option price in respect of such Bonds.
- (b) From and including the time of the Slot Disposal Trigger Event, the Issuer shall procure that the Slot Owner shall:
 - (i) upon receipt promptly credit Excess Slot Disposal Proceeds Account with any Excess Slot Disposal Proceeds; and
 - (ii) only apply amounts standing to the credit of the Excess Slot Disposal Proceeds Account to redeem the Bonds at a price corresponding to the then prevailing Call Option price in respect of such Bonds.
- (c) For the avoidance of doubt and subject to paragraph (a) and (b) above and Clause 13.14(f) (*Status of Slots*) below, nothing in this Agreement shall prohibit:
 - (i) the disposal, transfer, lease, exchange or substitution of any Slots by the Slot Owner, to the extent the consideration in respect of such Slots is cash;

- (ii) any ad hoc or operational adjustments to timing of any such Slots or the temporary return of Slots to the Slot Pool; or
- (iii) any Slot Usage Agreement,

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

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion, (including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*)).

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 120 days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 60 days after the end of the relevant interim period.

When performing its obligations under paragraph (a) and (b), the Issuer may follow any ESMA guidance notes on the publishing of Annual Financial Statements and Interim Accounts.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports are fairly representing its financial condition as at the date of those financial statements.

- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

12.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to listing*) or (ii) to inform of such Listing Failure Event, only default interest in accordance with Clause 8.2 paragraph (c) will accrue as long as such Listing Failure Event is continuing.

12.5 Information: Miscellaneous

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) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (d) 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;
- (e) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (f) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (g) inform the Bond Trustee of changes in the registration of the Bonds in the CSD;
- (h) 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;
- (i) at the request of the Bond Trustee, provide details of Slots held by the Slot Owner and of any sale, trade, swaps or disposals involving such Slots; and
- (j) within a reasonable time, provide such information about the Issuer and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13 (*General Undertakings*).

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

13.3 Continuation of business

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

13.4 Corporate status

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

13.5 Mergers and de-mergers

(a) The Issuer shall not, and shall procure that no other Group Company will, carry out:

- (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- (ii) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer and any Group Company;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

13.6 Negative pledge

Save as described in Clause 2.5 (*Transaction Security*), 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 any of its/their assets (whether present or future), other than any Permitted Security.

13.7 Financial support

The Slot Owner shall not provide any Financial Support.

13.8 Disposals

The Issuer shall not, and shall procure that no other Group Company will, sell, transfer or otherwise dispose of all or substantially all of its assets (including shares or other securities in any person) or operations (other than to a Group Company) unless such sale, transfer or disposal is carried out in the ordinary course of business and would not have a Material

Adverse Effect or constitutes a customary aircraft leasing transaction in accordance with the established practice of the Group.

13.9 Related party transactions

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall, and shall procure that each other Group Company will, conduct all business transactions with any Affiliate on an arm's length basis.

13.10 No Dividends

The Issuer shall not declare or make any dividend, interest, other distribution or payment in respect of any class of shares of the Issuer or any other obligation of the Issuer which ranks junior to the Bonds.

13.11 Commitment to sustainability

(a) The Issuer shall use its best commercial endeavours to ensure that:

- (i) on or before 31 December 2030, it has reduced carbon emissions by at least 45% per passenger kilometre compared to 2010 levels; and
- (ii) it is among the leading airlines in the European airline industry in respect of emissions and sustainability.

13.12 Collateralisation of pension deficits

The Issuer shall undertake to cover any pension deficits in the Slot Owner to the extent the Slot Owner cannot cover such deficit and shall, in case of a Slot Disposal Trigger Event or in the event of enforcement of any Security by the Security Agent, promptly credit the Excess Slot Disposal Proceeds Account with such amounts required to ensure that any pension deficits in the Slot Owner can be fully cash collateralised using such amounts.

13.13 Slot Owner governance

The Issuer shall procure that the board of directors of the Slot Owner at all times holds at least one board member which is not employed by or affiliated with the Group, such board member to be approved by the Bond Trustee.

13.14 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.

The first Slot Valuation Report following the Issue Date shall be delivered 30 June 2022.

(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 13.14(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 13.14(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 the proceeds thereof are applied in accordance with Clause 10.4(a) and Clause 10.4(b) 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 Slot Valuation Report delivered pursuant to paragraph (iv) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

(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) receivables between the Slot Owner and any other member of the Group, provided that any receivable constituting an Intercompany Claim shall be assigned or pledged in favour of the Bond Trustee or the Security Agent to secure the obligations of the Issuer under any Finance Document.

(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. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) Non-payment

An Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) Breach of other obligations

An Obligor does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) Misrepresentation

Any representation, warranty or statement (including statements in Compliance Certificates) made by the Issuer under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) Cross default

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (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); or
- (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),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of NOK 75 million (or the equivalent thereof in any other currency).

(e) Insolvency and insolvency proceedings

Any Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) 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 a solvent liquidation or reorganization; or

- (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair the Issuer's ability to perform its payment obligations under these Bond Terms; or
- (C) 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
- (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1(d) (*Cross default*) above; or
- (E) for (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

however this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) Creditor's process

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company, having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) Unlawfulness

It is or becomes unlawful for an Obligor to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

The events or circumstances described in paragraphs 14.1(d) (*Cross Default*), 14.1(e) (*Insolvency and Insolvency Proceedings*) or 14.1(f) (*Creditor's process*) shall not constitute Events of Default insofar as they relate to any Group Company which is not an Obligor and which is Insolvent or is likely to become Insolvent due to the events contemplated in any Scheme.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or

- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 0 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption - Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date);

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) 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.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.

- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to Clause 17.1 (*Procedure for amendments and waivers*) paragraph (a), section (i) and (ii), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of

the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).

- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "Chairperson").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "Representative"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.

- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply mutatis mutandis to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.

- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee’s web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders’ Meeting*), 15.2 (*Procedure for arranging a Bondholders’ Meeting*), Clause 15.3 (*Voting Rules*) and Clause 15.4 (*Repeated Bondholders’ Meeting*) shall apply mutatis mutandis to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5 (*Written Resolution*),
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the “Voting Period”), which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders’ rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or paragraph (f) of Clause 15.1 (*Authority of Bondholders’ Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other

action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee will ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or

- (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate or partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:

- (i) acting in accordance with advice from or opinions of reputable external experts;
or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will 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 and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, 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 issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligors, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. 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, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

16.6 Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.
- (b) 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 Transaction Security 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.
- (c) 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.

- (d) 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 each Obligor and any other party to a Finance 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.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply mutatis mutandis to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). 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.

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.

- (b) Prior to agreeing to an amendment or granting a waiver in accordance with Clause 17.1(a)(i) (Procedure for amendments and waivers), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (a) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (b) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (c) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter, e-mail or fax. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received;
 - (iii) if by fax, when received; and

- (iv) if by publication on a relevant information platform, when published.
- (d) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- (e) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will 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 will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “Defeasance Amount”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “Defeasance Account”);
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “Defeasance Pledge”); and
 - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,then;
 - (A) the Issuer will be relieved from its obligations under Clause 12.2 (Requirements as to Financial Reports) paragraph (a), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: Miscellaneous*) and Clause 13 (*General undertakings*);
 - (B) any Security shall be released and the Defeasance Pledge shall be considered replacement of the Security; and
 - (C) each Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.

- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATORIES:

The Issuer:

Norwegian Air Shuttle ASA

By: _____

Name:

Title:

As Bond Trustee and Security Agent:

Nordic Trustee AS

By: _____

Name:

Title:

SCHEDULE 1
COMPLIANCE CERTIFICATE

[date]

Norwegian Air Shuttle ASA senior secured bond issue 2021/2026 with ISIN NO0010996390

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2(a) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

NX

By: _____

Name: Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

SCHEDULE 3
CALL NOTICE - NOK CONVERSION

Oslo, [●] May 2021

ISIN NO [●] - Norwegian Air Shuttle ASA Senior Secured Bond Issue [●]

Dear Sirs,

We refer to the bond agreement dated [●] entered into between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer, as amended from time to time (the “**Bond Terms**”).

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

Pursuant to a summons for written resolutions dated 12 March 2021 (the “**Summons**”) in respect of the NAS07 Bond Issue and the NAS08 Bond Issue, the Issuer requested the Bond Trustee to summon a bondholder’s written resolution to consider the approval of certain proposed amendments to the Bond Terms and the bond terms for [●] dated [●] (as later amended and restated), as set out in Appendix 1 and Appendix 2 to the Summons (the “**Proposal**”). The Proposal was adopted according to the voting requirements under each of the Bond Terms on 20 March 2021.

Pursuant to the Proposal, the amount outstanding under the NAS07 Bond Issue and the NAS08 Bond Issue shall be converted to NOK using the exchange rates published by Norges Bank on 18 November 2020¹ (the “**NOK Conversion**”) and thereby written down to NOK 750,000,000 (the “**NAS13 Issue Amount**”).

To initiate the NOK conversion, we hereby give you notice that we call all the Outstanding Bonds (in the amount of [●]) under the [●] Bond Issue at 100% of par value. The record date for the call is [5] May 2021 with settlement date falling on [7] May 2021.

¹ EUR/NOK 10,7115
SEK/NOK 1,0488

SCHEDULE 4
UNSECURED BOND SEPARATION INSTRUCTION LETTER

Oslo, [●] May 2021

ISIN NO [●] - Norwegian Air Shuttle ASA Senior Secured Bond Issue [●]

Dear Sirs,

We refer to the bond agreement dated [●] entered into between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer, as amended from time to time (the “**Bond Terms**”).

Capitalised terms used herein shall have the same meaning as in [the Bond Terms/the NAS13 Amendment and Restatement Agreement dated on or about the date hereof].

Pursuant to a summons for written resolutions dated 12 March 2021 (the “**Summons**”) in respect of the NAS07 Bond Issue and the NAS08 Bond Issue, the Issuer requested the Bond Trustee to summon a bondholder’s written resolution to consider the approval of certain proposed amendments to the Bond Terms and the bond terms for [●] dated [●] (as later amended and restated), as set out in Appendix 1 and Appendix 2 to the Summons (the “**Proposal**”). The Proposal was adopted according to the voting requirements under each of the Bond Terms on 20 March 2021.

Pursuant to the Proposal, the amount outstanding under the NAS07 Bond Issue and the NAS08 Bond Issue shall be converted to NOK and thereby written down to NOK 750,000,000 (the “**NAS13 Issue Amount**”). The unsecured portion (constituting of the outstanding amount under the Bond Issues less the NAS13 Issue Amount) (the “**Unsecured Portion**”) shall be treated as unsecured debt under and in accordance with the schemes of arrangement.

To initiate the separation of the [NAS07/NAS08] Unsecured Portion from the Temporary [NAS07 /NAS08] NOK Bond, we hereby give you notice that we call [amount] of the Bonds under the [●] Bond Issue at 100% of par value. The record date for the call is [7] May 2021 with settlement date falling on [10] May 2021.