



Securities Note

for

**Explorer II AS 3.375% senior secured EUR 300,000,000 bonds
2020/2025**

Joint Lead Managers:



Danske Bank

DNB Markets

Nordea

Tromsø, 9 July 2020

Important information*

The Securities Note has been prepared in connection with listing of the securities on the Oslo Børs.

New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Loan. Such information will be published as a supplement to the Securities Note pursuant to Regulation (EU) 2017/1129. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

MiFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is eligible counterparties, professional clients and retail clients each as defined in Directive 2014/65/EU (as amended, “MiFID II”); (ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the notes to retail clients are appropriate – investment advice, portfolio management, non-advised sales and pure execution services – subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable.

Only the Borrower and the Joint Lead Managers are entitled to provide information about conditions described in the Securities Note. Information provided by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America. Approval of the Securities Note by the Norwegian FSA implies that the Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Borrower and the Joint Lead Managers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The Securities Note dated 9 July 2020 together with the Registration Document dated 9 July 2020 and Summary dated 9 July 2020 constitute the Prospectus.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

Contact the Borrower or the Joint Lead Managers to receive copies of the Securities Note.

Factors which are material for the purpose of assessing the market risks associated with Bond:

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) 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;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and
- (v) 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.

Modification and Waiver

The conditions of the Bonds contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority.

Please see the Bond Terms for the Bond Trustee's power to represent the Bondholders and the duties and authority of the Bond Trustee.

*The capitalised words in the section "Important Information" are defined in Chapter 3: "Detailed information about the securities".

Index:

1 Risk Factors..... 5
2 Persons Responsible..... 7
3 Detailed information about the securities..... 8
4 Additional Information 18
Appendix 1: Bond agreement 19
Appendix 2: Guarantee agreement..... 19

1 Risk Factors

Investing in bonds issued by Explorer II AS involves inherent risks. Prospective investors should consider, among other things, the risk factors set out in the Prospectus, including those related to the Issuer as set out in the Registration Document, before making an investment decision. The risks and uncertainties described in the Prospectus, including those set out in the Registration Document, 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, and the Issuer could be unable to pay interest, principal or other amounts on or in connection with the bonds. Prospective investors should also read the detailed information set out in the Registration Document dated 9 July 2020 and reach their own views prior to making any investment decision.

RISK RELATED TO THE BONDS

Significant cash requirement to meet debt obligations and sustain operations

The Company's ability to make principal or interest payments when due in respect of its financial indebtedness, including the Bonds, will depend on its future performance and its ability to generate cash which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond the Company's control. In addition to debt service, the Company will also need significant amounts of cash to fund its business and operations.

Value of the security package - If the Company defaults under the Bond Issue, the bondholders will be secured only to the extent of the value of their collateral and the underlying security assets. All security will be established on a first priority basis, subject to applicable law. The Bonds will be secured on a *pari passu* basis with all other claims of the Company other than obligations which are mandatorily preferred by law. As a consequence, and although the Bonds are secured obligations of the Company, there can be no assurance that the value of the security will be sufficient to cover all the outstanding amounts under the Bond Issue together with accrued interest and expenses in case of a default and/or if the Company enters into liquidation.

Guarantee may be of limited value – The Bonds are guaranteed by certain companies within the Group. There is however no guarantee that these Guarantors are able to honour their guarantee obligations in the event of the Company's default under the Bonds.

The issuer may prepay bonds prior to their maturity

Pursuant to the bond agreement, the Issuer may prepay bonds prior to their maturity date. The amount to be paid to each bondholder if such option is exercised is equal to their outstanding principal amount of the bonds, plus accrued and unpaid interest to the date of redemption and a premium calculated in accordance with the terms and conditions of the bond agreement. The call option mechanism may limit the market value of the bonds. The Issuer may be expected to redeem the bonds when its general cost of borrowing is lower than the interest rate on the bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest as high as the interest rate on the bonds and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

No due diligence in connection with the bond issue

The managers and their advisors have not carried out any due diligence connection with the bond issue other than as described in the application form.

Change of control

The Issuer's ability to redeem the bonds with cash may be limited - upon the occurrence of a change of control event (as defined in the bond agreement), each individual bondholder have a right of pre-payment of the bonds at a price of 101 per cent. of par value plus all accrued and unpaid interest to the date of the redemption. However, it is possible that the Issuer will not have sufficient funds at the time of the change of control event to make the required redemption of the bonds. The Issuer's failure to redeem tendered bonds would constitute an event of default under the bond agreement.

There may only be a limited trading market for bonds

There is no existing market for the bonds, and there can be no assurance given regarding the future development of a market for the bonds and therefore, the liquidity of the bonds and the volume they are traded in cannot be guaranteed. This may apply even if the bonds are listed and there are no market-maker agreements in place or intended to be established in order to secure a liquid market for the bonds after the issue date.

The market price of the bonds may be volatile

The market price of the bonds may experience significant fluctuations in response to actual or anticipated variations in the Issuer's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the issuer 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 price of the bonds without regard to the issuer's operating results, financial condition or prospects.

Modifications to the bond agreement and waivers

The bond agreement will contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders, including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority. The trustee may agree, without the consent of the bondholders, to certain modifications to the bond agreement and finance documents (as defined in the bond agreement) which are, in the opinion of the bond trustee, proper to make. Such modifications, which will be binding upon the bondholders, will be described in the bond agreement.

2 Persons Responsible

2.1 Persons responsible for the information

Persons responsible for the information given in the Securities Note are as follows:
Explorer II AS, c/o Hurtigruten AS, P.O. Box 6144 Langnes, N-9291 Tromsø, Norway

2.2 Declaration by persons responsible

Explorer II AS declares that to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

Tromsø, 9 July 2020

Explorer II AS

3 Detailed information about the securities

ISIN code:	NO0010874548
The Loan/The Bonds:	"Explorer II AS 3.375% senior secured EUR 300,000,000 bonds 2020/2025".
Borrower/Issuer/Company:	Explorer II AS, a company existing under the laws of Norway with registration number 918 500 812 and LEI code 98450067B64D440ED557.
Security Type:	Secured bond issue with fixed rate.
Borrowing Limit – Tap Issue:	EUR N/A
Borrowing Amount/First Tranche:	EUR 300,000,000
Denomination – Each Bond:	EUR 1.00 - each and ranking pari passu among themselves
Securities Form:	The Bonds are electronically registered in book-entry form with the Securities Depository.
Disbursement/Settlement/ Issue Date:	24 February 2020.
Interest Bearing From and Including:	Disbursement/Settlement/Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	24 February 2025.
Coupon Rate:	3.375 per cent p.a.
Day Count Fraction - Coupon:	30/360 – in arrears.
Business Day Convention:	Means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.
Interest Payment Date:	Means the last day of each Interest Period, the first Interest Payment Date being 24 August 2020 and the last Interest Payment Date being the Maturity Date. Any adjustment will be made according to the Business Day Convention.
Interest Period:	Means, subject to adjustment in accordance with the Business Day Convention, the period between 24 August and 24 February each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
#Days first term:	180 days
Issue Price:	100 % (par value).
Yield:	Dependent on the market price. On 7 July 2020 the yield was estimated to 7.3805 % p.a. The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet, version 3.0» prepared by Norske Finansanalytikeres Forening in May 2015 (http://www.finansanalytiker.no/innhold/publikasjoner/NFF_Rentekonvensjon_mai_2015.pdf)
Business Day:	Means a day on which the relevant CSD settlement system is open and which is a TARGET Day.
Outstanding Bonds:	Means any Bonds not redeemed or otherwise discharged.
Guarantee:	Means the joint and several unconditional Norwegian law guarantee and indemnity (Norwegian: "selvskyldnerkausjon") issued by each of the Guarantors in respect of the Secured Obligations up to a maximum of the issue amount

under the Bonds (including unpaid interest, fees and costs), which shall constitute senior obligations of the Guarantors.

The Guarantee Agreement is attached as Appendix 2 to this Securities Note. It may also be obtained from www.hurtigruten.no or any successor page.

Guarantors:	Means the Parent, the Tour Operator, the Vessel Operator and subject to a Permitted Reorganisation, the Additional Guarantors.
Obligors:	Means the Issuer and the Guarantors.
Tour Operator:	Means Hurtigruten AS, a company registered in Norway with organisation number 914 904 633 and wholly owned by the Parent.
Vessel Operator:	Means Hurtigruten Cruise AS, a company registered in Norway with organization number 918 704 981 and wholly owned by the Tour Operator or another Parent Group Company.
Parent:	Means Hurtigruten Group AS, a company existing under the laws of Norway with registration number 914 148 324.
Parent Group:	Means the Parent and its Subsidiaries from time to time.
Parent Group Company:	Means each member of the Parent Group.
Additional Guarantors:	Has the meaning ascribed to such term in the Bond Terms clause 13.16.
Permitted Reorganisation:	Means the reorganisation as described in the Bond Terms clause 13.16.
Put/Call options:	Voluntary early redemption – Call Option

- (a) The Issuer may redeem all but not only part of the Outstanding Bonds (the “Call Option”) on any Business Day from and including:
- (i) the Issue Date to, but not including, the First Call Date at a price equal to the Optional Early Redemption Amount;
 - (ii) the First Call Date to, but not including, the Interest Payment Date in February 2023 at a price equal to 101.688% of the Nominal Amount (plus accrued interest on redeemed bond) (the “First Call Price”);
 - (iii) the Interest Payment Date in February 2023 to, but not including, the Interest Payment Date in February 2024 at a price equal to 100.844% of the Nominal Amount (plus accrued interest on the redeemed amount); and
 - (iv) the Interest Payment Date in February 2024 to, but not including, the Interest Payment Date in August 2024 at a price equal to 100.422% of the Nominal Amount (plus accrued interest on redeemed amount).
 - (v) the Interest Payment Date in August 2024 to, but not including, the Maturity Date at a price equal to the Nominal Amount (plus accrued interest on redeemed amount).
- (b) Any redemption of Bonds pursuant to the clause (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. Unless the Optional Early Redemption Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Optional Early Redemption Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.
- (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.

Equity Clawback

- (a) The Issuer may, at any time from (but excluding) the Issue Date to (but excluding) the First Call Date, by written notice to the Bond Trustee no less than 10 Business Days and no more than 30 Business Days’ prior to the proposed Equity Clawback Repayment Date use the net cash proceeds received by the Parent or the Listed Company from an equity offering (in

- connection with the IPO) to redeem up to 35% of the issue amount under the Bonds at a price equivalent to the call premium on the First Call Date.
- (b) Such redemption shall be applied pro rata between the Bondholders in accordance with the applicable regulations of the CSD.
 - (c) Any accrued and unpaid interest on the Bonds being redeemed shall be paid together with principal on the Equity Clawback Repayment Date, provided that such interest shall not be included in the calculation of the amount of Bonds the Issuer is permitted to repay in accordance with this provision.

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% of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to the Bond Terms 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 15 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% of the Outstanding Bonds have been repurchased pursuant to this clause (*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.

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 the Bond Terms clause 8.4 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 at a price equal to 100% 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.

Mandatory redemption due to a Total Loss Event

Upon a Total Loss Event occurring, the Issuer shall as soon as it receives insurance proceeds, and in any event no later than 180 days following the Total Loss Event, redeem Bonds equivalent to the Redemption Amount at 100% of the Nominal Amount (plus accrued interest on the redeemed amount).

Mandatory redemption due to a Mandatory Prepayment Event

- a) Upon a Mandatory Prepayment Event occurring the Issuer shall, on or about the day the Issuer receives the proceeds from the relevant Mandatory Prepayment Event, redeem Bonds equivalent to the Redemption Amount (as defined below).
- b) The Issuer shall upon a Mandatory Prepayment Event, not later than 30 calendar days following such event, redeem:
 - (i) 100% of the Outstanding Bonds (plus accrued and unpaid interest) if related to both Vessels; or
 - (ii) 55% of the Outstanding Bonds if related to one of the Vessels.

In both (i) and (ii) at a redemption price equal to the First Call Price if such Mandatory Prepayment Event occurs prior to the First Call Date and at the prevailing Call Option price in accordance with the Bond Terms clause 10.2

(Voluntary early redemption – Call Option) if such Mandatory Prepayment Event occurs at the First Call Date or any time thereafter (the “Redemption Amount”).

For the avoidance of doubt, the Redemption Amount shall be determined based on the date the Mandatory Prepayment Event occurred and not based on the date the repayment is carried out.

- c) After a Mandatory Prepayment Event has occurred and redemption of Bonds has been carried out, the Bond Trustee shall upon the request and cost of the Issuer, release the Security relating solely to the disposed Vessel.
- d) Proceeds received from a Mandatory Prepayment Event, net of (i) the relevant Redemption Amount, and (ii) any fees or expenses related to the sale, shall be transferred to the Issuer.

(See chapter 1 in the Bond Agreement for definitions)

Amortisation:

- (a) The Bonds will be repaid by the Issuer in the following instalments: EUR 15,000,000 on each of the Interest Payment Dates from and including the Interest Payment Date in August 2023.
- (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% of the Nominal Amount (plus accrued interest on redeemed amount).

Redemption:

Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.

Status of the Loan:

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).

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer has procured that the following Transaction Security is granted in favour of the Security Agent with first priority within the times agreed in Bond Terms clause 6 (Conditions for disbursement):
 - (i) the Escrow Account Pledge;
 - (ii) the Mortgages;
 - (iii) the Issuer Share Pledge;
 - (iv) the Assignment of Earnings;
 - (v) the Factoring Agreement;
 - (vi) the Assignment of Insurances; and
 - (vii) the Earnings Account Pledge.
- (b) The Transaction Security is 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.
- (c) The Security Agent is irrevocably authorised to release any Guarantees and Transaction Security (A) over assets which are sold or otherwise disposed of (directly or indirectly) in compliance with these Bond Terms and (B) following an enforcement.

(See chapter 1 in the Bond Agreement for definitions)

Finance Documents:

Means:

- (a) the Bond Terms;
- (b) the Transaction Security Documents;
- (c) the Guarantees;
- (d) the Bond Trustee Fee Agreement; and
- (e) any other document the Issuer and the Bond Trustee agree to be a Finance Document.

(See chapter 1 in the Bond Agreement for definitions)

Undertakings:

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in the Bond Terms clauses 12, 13 and 14, including but not limited to:

General and financial undertakings

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 if a failure to do so would have Material Adverse Effect.

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.

Corporate status

The Issuer shall subject to the Permitted Reorganisation (i) not change its type of organization or jurisdiction of incorporation, and shall (ii) ensure that no other Group Company shall change its type of organization or jurisdiction of incorporation.

Mergers and de-mergers

The Issuer shall subject to the Permitted Reorganisation not carry out 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, if such transaction has a Material Adverse Effect.

Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will, incur, create or permit to subsist any Financial Indebtedness other than the Permitted Financial Indebtedness.

Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or permit to subsist any Security over any of its/their assets or enter into arrangements having a similar effect other than the Permitted Security.

Financial support

The Issuer shall not, and shall procure that no other Group Company will, grant any Financial Support to or for the benefit of any third party or other Group Company, other than any Permitted Financial Support.

Disposals

The Issuer shall not sell or otherwise dispose of any of the Vessels, unless permitted under the Bond Terms or the Bonds are redeemed in accordance with the Mandatory Prepayment provisions in Bond Terms clause 10.6 (*Mandatory redemption due to a Total Loss Event*) or clause 10.7 (*Mandatory redemption due to a Mandatory Prepayment Event*) (each a "**Permitted Disposal**").

Arm's length transactions

Without limiting Bond Terms clause 13.2 (*Compliance with laws*), the Issuer shall not, and shall ensure that no other Group Company shall, engage, directly or indirectly, in any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except on an arm's length basis (or better from the perspective of the Issuer or other Group Companies).

Anti-corruption and sanctions

The Issuer shall, and shall procure that each other Group Company will: (a) ensure that no proceeds from the Bond Issue are used directly or indirectly for any purpose which would breach any applicable acts, regulations or laws on bribery, corruption or similar; and (b) conduct its businesses and maintain policies and procedures in compliance with applicable anti-corruption laws. The

Issuer shall not, and shall ensure that no Group Company will, engage in any conduct prohibited by any sanctions.

Single Purpose Company

The Issuer shall not trade, carry on any business, own any material assets or incur any liabilities except for, in the ordinary course of business, related to the ownership and operation of the Vessels or otherwise permitted by these Bond Terms. The Vessels shall be in the absolute ownership of the Issuer, free and clear of all encumbrances other than as permitted by the Finance Documents, and the Issuer shall not change the ownership of the Vessels unless:

- (a) such change of ownership of a Vessel is to a wholly owned single purpose Subsidiary of the Issuer where that wholly owned Subsidiary provides the Security (set out in item (ii) through (vii) under the Bond Terms clause 2.5 (*Transaction Security*)) and a share pledge is granted by the Issuer over its shares in such wholly owned Subsidiary; or
- (b) a Mandatory Prepayment Event has occurred.

Continuation of business

The Issuer shall not, and shall ensure that no other Group Company will, cease to carry on its business or change the general nature of its business from that carried on by the Group at the date of these Bond Terms.

Maintain Transaction Security Documents

The Issuer shall maintain the Transaction Security Documents in full force and effect, and do all acts which may be necessary to ensure that such Security remains duly created, enforceable and perfected with first priority ranking, creating the Security contemplated thereunder, at the expense of the Issuer, or the relevant security provider (as the case may be).

Investments

The Issuer shall procure that no Group Company make any material investments or capital expenditures, other than solely related to upgrades and operation of the Vessels.

Credit Ratings

The Issuer shall during the term of the Bonds maintain its Credit Rating.

Permitted Reorganisation

Notwithstanding anything to the contrary under these Bond Terms, the Parent shall be entitled to reorganise the Parent Group for the purpose of reorganising (i) the indirect ownership and operation of the expedition cruise vessels into Hurtigruten Expedition Fleet AS and Hurtigruten Expedition Cruise AS (ii) the indirect ownership and operation of the coastal cruise vessels into Hurtigruten Coastal Fleet AS and Hurtigruten Coastal Cruise AS and (iii) reorganising the entire business relating to the tour operation (sales and packaging) into the Tour Operator, provided that:

- (a) the Issuer will continue to be the direct or indirect owner of the Vessels;
- (b) the Vessels will be chartered on bareboat charters to Hurtigruten Expedition Cruise AS which with effect from the Permitted Reorganisation shall be deemed (and included in the defined term) as a Vessel Operator and Guarantor under these Bond Terms;
- (c) Hurtigruten Expedition Fleet AS, Hurtigruten Expedition Cruise AS, Hurtigruten Coastal Fleet AS and Hurtigruten Coastal Cruise AS (the "Additional Guarantors") shall with effect from the later to occur of (i) the Permitted Reorganisation and (ii) the Additional Guarantors having acceded as guarantors and granted security under the Parent Existing Facilities Agreement be deemed as Guarantors under these Bond Terms; and
- (d) Hurtigruten Expedition Fleet AS shall in relation to such reorganisation provide a share pledge over the shares in the Issuer.

The Issuer shall no later than 30 Business Days prior to the Permitted Reorganisation inform the Bond Trustee in writing of the intended reorganisation in order to agree a closing procedure for establishing of the Security and Guarantees contemplated by the Permitted Reorganisation.

Financial Covenants

The Parent and the Issuer shall at all times (in each case on a consolidated basis) maintain the following minimum Free Liquidity in respect of the:

(a) **Parent:** EUR 15,000,000; and

(b) **Issuer:** an amount equal to 50% of interest and amortization payable on the next Interest Payment Date.

Such compliance shall be certified with the delivery of each Compliance Certificate with reference to the relevant Quarter Date.

Vessel covenants

Compliance with laws

The Issuer shall procure, and shall procure that each relevant Group Company procures that the Vessels are operated in all material respects in accordance with applicable laws and regulations and good industry standards.

Earnings

The Issuer shall procure, and shall procure that each relevant Group Company procures that all Earnings related to the Vessels, any insurance, sales proceeds, and any other earnings in the Group's business, in each case payable to the Group, shall be paid into the relevant Earnings Accounts.

Change of flag

The Issuer shall procure, and shall procure that each relevant Group Company procures that the Vessels maintain flag and class and remain registered in the Norwegian ship register (NIS or NOR), Marshall Islands or an EEA/UK flag or another ship registry acceptable to the Bond Trustee and in consistency with prudent ownership and good industry standards (and where the Bond Trustee shall be given notice of any changes to name, flag, class or registry of a Vessel prior to any such changes becoming effective).

Maintenance

The Issuer shall procure, and shall procure that each relevant Group Company procures that the Vessels and all relevant equipment related thereto are reasonably and satisfactorily maintained at all times. During operation of the Vessels, the Issuer shall ensure that the Vessels are properly maintained and kept in good and safe condition and that repairs are consistent with prudent ownership and industry standards.

Insurance

The Issuer shall procure, and shall procure that each relevant Group Company procures that insurance of the Vessels are taken out and maintained with financially sound and reputable insurance companies, funds or underwriters, including adequate insurance arrangements with respect to its assets, equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice in their relevant jurisdiction (the Vessels to be insured at the higher of 100% of the Market Value and 120% of the issue amount under the Bonds outstanding, less any amount on the Escrow Account, at any time).

Technical inspection

The Issuer shall procure, and shall procure that each relevant Group Company procures that upon request of the Bond Trustee, arrange for the Bond Trustee, and/or any person appointed by the Bond Trustee, to undertake a technical inspection of the Vessels without interference of the daily operation of the Vessels and at the expense of the Issuer (however limited to maximum one yearly inspection per Vessel unless an Event of Default has occurred and is continuing).

(See chapter 1 in the Bond Agreement for definitions)

Listing:

An application for listing on the regulated market of Oslo Børs will be made as soon as possible after the prospectus has been approved by the Norwegian FSA.

Purpose/Use of proceeds:

Estimated total expenses related to the offer:

External party	Cost
The Norwegian FSA	NOK 117,000
The stock exchange	NOK 91,500
The Bond Trustee	NOK 235,000 (annual fee)
The Joint Lead Managers	EUR 4,810,000

The estimated net amount of the proceeds was EUR 295,146,219.

The Issuer will use the net proceeds from the issuance of the Bonds (net of legal costs, fees of the Joint Lead Managers and the Bond Trustee and any other agreed costs and expenses) for simultaneous refinancing of the Existing ECA Facility related to the Vessels and for general corporate purposes.

Approvals:

The Bonds were issued in accordance with the approval of the Issuer's Board of Directors dated 13.02.2020.

The Norwegian FSA has approved the Securities Note under Regulation (EU) 2017/1129 (see definition of Prospectus below for duties and responsibility of the Norwegian FSA).

The Norwegian FSA has approved the Prospectus by e-mail 9 July 2020.

The prospectus has also been sent to the Oslo Børs ASA for control in relation to a listing application of the bonds.

Bond Agreement/Bond Terms:

Means the terms and conditions, including all attachments hereto, each as amended from time to time.

The Bond Agreement has been entered into by the Borrower and the Bond Trustee. The Bond Agreement regulates the Bondholder's rights and obligations with respect to the bonds. The Bond Trustee enters into the Bond Agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement. When bonds are subscribed / purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement.

The Bond Agreement is attached as Appendix 1 to this Securities Note. The Bond Agreement is also available through the Bond Trustee, the Joint Lead Managers or from the Borrower.

Bondholders' meeting:

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.

At least 50 per cent. of the voting Bonds must be represented at a Bondholders' meeting for a quorum to be present. See also clause 16.4 in the Bond agreement.

Save for any amendments or waivers which can be made without resolution pursuant to the Bond Agreement clause 18.1 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 any provisions of the Bond Terms.

(For more details, see also Bond Agreement clause 16)

Bond Trustee:

Nordic Trustee ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.

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 the Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents. 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 the Bond Terms, or to take any steps to ascertain whether any event of default has occurred. The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect

	<p>the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents.</p> <p>(For more details, see also Bond Agreement clause 17)</p>
Joint Lead Managers:	<p>Carnegie AS, Fjordalleen 16, N-0250 Oslo, Norway with LEI code 5967007LIEEXZX57BC18;</p> <p>Danske Bank A/S (Norwegian branch), Søndre gate 15, N-7011 Trondheim with LEI code MAES062Z21O4RZ2U7M96;</p> <p>DNB Bank ASA, Dronning Eufemias gate 30, N-0191 Oslo, Norway with LEI code 549300GKFG0RYRRQ1414;</p> <p>Nordea Bank Abp (Norwegian branch), P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway with LEI code 529900ODI3047E2LIV03</p>
Paying Agent:	<p>DNB Bank ASA, Verdipapirservice, Dronning Eufemias gate 30, N-0191 Oslo, Norway</p> <p>The Paying Agent is in charge of keeping the records in the Securities Depository.</p>
Calculation Agent:	<p>The Bond Trustee.</p>
Securities Depository:	<p>The Securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2019 no. 6 regarding Securities depository.</p> <p>On Disbursement Date the Securities Depository is the Norwegian Central Securities Depository ("VPS"), P.O. Box 4, 0051 OSLO.</p>
Restrictions on the free transferability:	<p>(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.</p> <p>(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.</p>
Market-Making:	<p>There is no market-making agreement entered into in connection with the Bond Issue.</p>
Prospectus:	<p>The Registration Document dated 9 July 2020, the Summary dated 9 July 2020 and this Securities Note dated 9 July 2020.</p> <p>This Securities Note has been approved by 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 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.</p>
Estimate of total expenses related to the admission to trading:	<p>Prospectus fee (NFSA) Registration Document NOK 63,000 Prospectus fee (NFSA) Securities Note NOK 17,000 Prospectus fee (NFSA) Guarantees NOK 17,000 Prospectus fee (NFSA) Specialist issuer NOK 20,000 Listing fee 2020 (Oslo Børs): NOK 41,350 Registration fee (Oslo Børs): NOK 50,150</p>
Legislation under which the Securities have been created:	<p>Norwegian law.</p>

Fees and Expenses:

The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.

The tax legislation of the Bondholder's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.

4 Additional Information

The involved persons in the offer of the Bonds have no interest, nor conflicting interests that are material to the Bond Issue.

The Issuer has mandated Carnegie AS, Danske Bank A/S (Norwegian branch), DNB Bank ASA and Nordea Bank Abp (Norwegian branch) as Joint Lead Managers for the issuance of the Loan. The Joint Lead Managers have acted as advisor to the Issuer in relation to the pricing of the Loan.

Statement from the Joint Lead Managers:

Carnegie AS, Danske Bank A/S (Norwegian branch), DNB Bank ASA and Nordea Bank Abp (Norwegian branch) have assisted the Borrower in preparing the prospectus. The Joint Lead Managers have not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made, and the Joint Lead Managers expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this prospectus or any other information supplied in connection with bonds issued by the Borrower or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Borrower. Each person receiving this prospectus acknowledges that such person has not relied on the Joint Lead Managers nor on any person affiliated with them in connection with its investigation of the accuracy of such information or its investment decision.

Oslo/Trondheim, 9 July 2020

Carnegie AS
(www.carnegie.se)

Danske Bank A/S
(Norwegian branch)
(www.danskebank.no)

DNB Bank ASA
(www.dnb.no)

Nordea Bank Abp
(Norwegian branch)
(www.nordea.no)

Listing of the Loan:

The Prospectus will be published in Norway. An application for listing at Oslo Børs will be sent as soon as possible after the Issue Date. Each bond is negotiable.

Appendix 1: Bond agreement

Appendix 2: Guarantee agreement

BOND TERMS

FOR

Explorer II AS 3.375% senior secured EUR 300,000,000 bonds 2020/2025

ISIN NO0010874548

Contents

Clause	Page
1. INTERPRETATION	3
2. THE BONDS	16
3. THE BONDHOLDERS.....	18
4. ADMISSION TO LISTING	19
5. REGISTRATION OF THE BONDS	19
6. CONDITIONS FOR DISBURSEMENT.....	19
7. REPRESENTATIONS AND WARRANTIES	21
8. PAYMENTS IN RESPECT OF THE BONDS	23
9. INTEREST.....	26
10. REDEMPTION AND REPURCHASE OF BONDS	26
11. PURCHASE AND TRANSFER OF BONDS.....	29
12. INFORMATION UNDERTAKINGS	29
13. GENERAL AND FINANCIAL UNDERTAKINGS	31
14. VESSEL COVENANTS.....	33
15. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS	34
16. BONDHOLDERS' DECISIONS	37
17. THE BOND TRUSTEE.....	42
18. AMENDMENTS AND WAIVERS	46
19. MISCELLANEOUS	47
20. GOVERNING LAW AND JURISDICTION.....	49

ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT

BOND TERMS between	
ISSUER:	Explorer II AS, a company existing under the laws of Norway with registration number 918 500 812 and LEI-code 98450067B64D440ED557; 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:	14 February 2020
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:

“**Acceptable Bank**” means (i) any Nordic banking institution, or (ii) any other bank having a credit rating of A- or better.

“**Additional Guarantor**” has the meaning ascribed to such term in Clause 13.16 (*Permitted Reorganisation*).

“**Adjusted EBITDA**” means, in relation to a Relevant Period, EBITDA for that Relevant Period adjusted by:

- (a) including the operating profit before interest, tax, depreciation and amortization (calculated on the same basis as EBITDA) of a member of the Parent Group (or attributable to a business or assets) acquired during the Relevant Period for that part of the Relevant Period prior to its becoming a member of the Parent Group or (as the case may be) prior to the acquisition of the business or assets;
- (b) (without double counting) including, for the first four financial quarters to end after the delivery date of a vessel, the estimated EBITDA contribution of that vessel; and
- (c) excluding the operating profit before interest, tax, depreciation and amortization (calculated on the same basis as EBITDA) attributable to any member of the Parent Group (or to any business or assets) disposed of during the Relevant Period for that part of the Relevant Period.

“**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).

“**Annual Financial Statements**” means the audited (on a consolidated basis for the Parent and on a consolidated and unconsolidated basis for the Issuer) annual financial statements of the Parent and the Issuer for any financial year, prepared in accordance with GAAP and in the English language, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Assignment of Earnings**” means the first priority assignment by the Issuer of all earnings related to the Vessels.

“**Assignment of Insurances**” means the first priority assignment by the Issuer (or any other Vessel owner) in all relevant insurances related to the Vessels and the equipment related thereto.

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

“**Bond Issue**” means the issuance of the Bonds pursuant 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 its obligations 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 16 (*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 the relevant CSD settlement system is open and which is a TARGET Day.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

“**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 10.4(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 (other than the Permitted Holders) gaining Decisive Influence over the Issuer.

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

“**Credit Rating**” means the credit rating for the Bond Issue provided by the credit rating agencies Moody's and S&P.

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

“**Decisive Influence**” means a person having, as a result of an agreement, understanding and/or other arrangement and/or through the direct and/or indirect ownership of shares and/or other ownership interests in another person:

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

“**Default Notice**” means a written notice to the Issuer as described in Clause 15.2 (*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.

“**Distribution**” means any (i) payment of dividend on shares or cash interest on Shareholder Loans, (ii) repurchase of own shares, or (iii) any other similar distribution or transfers of value to the direct and indirect shareholders of any Parent Group Company or the affiliates of such direct and indirect shareholders.

“**Earnings Account**” means one or more accounts to be established by the Issuer with an Acceptable Bank into which the Issuer shall procure that all Earnings from the Vessels shall be deposited. The Earnings Accounts shall be pledged in favour of the Bond Trustee (on behalf of the bondholders), but not blocked unless an Event of Default has been declared.

“**Earnings Account Pledge**” means the first priority pledge by the Issuer over each Earnings Account.

“**EBITDA**” means, in respect of any Relevant Period, the consolidated operating profit of the Parent Group before taxation (excluding the results from discontinued operations):

- (a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Parent Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any member of the Parent Group;
- (c) after adding back any amount attributable to the amortisation or depreciation of assets of members of the Parent Group;
- (d) before taking into account any Exceptional Items;
- (e) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Parent Group which is attributable to minority interests;
- (f) plus or minus the Parent Group's share of the profits or losses (after finance costs and tax) of non-Parent Group entities;
- (g) before taking into account any unrealised gains or losses on any derivative or financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (h) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset;
- (i) before taking into account any pension items; and
- (j) excluding the charge to profit represented by the expensing of stock options,

so that no amount shall be added (or deducted) more than once and, in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Parent Group before taxation.

“Equity Clawback Repayment Date” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.3 (*Equity Clawback*).

“Escrow Account” means an account in the name of the Issuer, blocked and pledged on first priority as security for the Issuer's obligations under the Finance Documents.

“Escrow Account Pledge” means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

“Event of Default” means any of the events or circumstances specified in Clause 15.1 (*Events of Default*).

“Exceptional Items” means any exceptional, one off, non-recurring or extraordinary items, including any costs incurred by any member of the Parent Group in connection with the implementation of the Permitted Reorganisation or the IPO.

“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).

“Existing ECA Facility” means the amended and restated term loan and guarantee facilities agreement dated 21 December 2018 (as subsequently amended) between (inter alia) the Issuer as borrower, Export Credit Norway and certain commercial lenders as lenders and DNB Bank ASA as agent.

“Factoring Agreement” means the first priority charge over trade receivables (*No. factoringpart*) by the Issuer.

“Finance Documents” means:

- (a) the Bond Terms;
- (b) the Transaction Security Documents;
- (c) the Guarantees;
- (d) the Bond Trustee Fee Agreement; and
- (e) any other document the Issuer and the Bond Trustee agree to be a Finance Document.

“Financial Covenants” means the financial undertakings set out in Clause 13.17 (*Financial Covenants*).

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

- (a) moneys borrowed and debt 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 GAAP, be treated as a finance or capital lease (meaning that the lease is 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 GAAP 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 Parent 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 GAAP;
- (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 GAAP; 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 or other financial assistance (whether actual or contingent).

“First Call Date” means the Interest Payment Date in February 2022.

“First Call Price” has the meaning ascribed to the term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“Free Liquidity” means the aggregate book value of the freely available and unrestricted cash and cash equivalents according to GAAP and any available and unutilised commitment under credit facilities which, if utilised, would not be subject to any clean down requirement or other mandatory repayment within one year of the utilisation date.

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

“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 the joint and several unconditional Norwegian law guarantee and indemnity (Norwegian: “*selvskyldnerkausjon*”) issued by each of the Guarantors in respect of

the Secured Obligations up to a maximum of the issue amount under the Bonds (including unpaid interest, fees and costs), which shall constitute senior obligations of the Guarantors.

“**Guarantors**” means the Parent, the Tour Operator, the Vessel Operator and subject to a Permitted Reorganisation, the Additional Guarantors.

“**Initial Nominal Amount**” means the nominal amount of each Bond 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 Loans**” means any loans granted or to be granted from one Obligor to another Obligor which is unsecured.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 24 August 2020 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 24 August and 24 February each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Rate**” means 3.375 percentage points per annum.

“**Interim Accounts**” means the unaudited (on a consolidated basis for the Parent and on a consolidated and unconsolidated basis for the Issuer) quarterly financial statements of the Parent and the Issuer for the quarterly period ending on each 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with GAAP and in the English language, such financial statements to include a profit and loss account, balance sheet, cash flow statement and management commentary by the Issuer with respect to the Issuer’s financial report.

“**IPO**” means the initial public offering on any recognised stock exchange of the share capital of the Parent or any other company selected for the listing of the Parent Group or any other Listed Company.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 24 February 2020.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms, wholly owned (directly or indirectly) by the Parent.

“Issuer's Bonds” means any Bonds which are owned by any Obligor or any Affiliate of an Obligor.

“Issuer Share Pledge” means the first priority Norwegian law pledge over all of the shares (100%) in the Issuer.

“Leverage” means the ratio of Net Debt to Adjusted EBITDA.

“Listed Company” means the entity being the direct or indirect owner of the Parent whose share capital is subject to the IPO (and any reference to the “Listed Company” shall only become effective upon the completion of the IPO).

“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.

“Manager” means Carnegie AS, Danske Bank, Norwegian Branch, DNB Bank ASA, DNB Markets and Nordea Bank Abp, filial i Norge as joint lead managers for the Bond Issue.

“Mandatory Prepayment Event” means an event where one or both of the Vessels are sold or disposed of to a third party outside the Group through an asset sales or shares in the Issuer or any other entity owning a Vessel.

“Market Value” means the fair market value of the Vessels determined as the arithmetic mean of independent valuations of the Vessels obtained from two independent and well-reputed sale and purchase brokers familiar with the market for the Vessels appointed by the Issuer and approved by the Bond Trustee. Such valuation shall be made on the basis of a sale for prompt delivery for cash at arm's length on normal commercial terms between a willing seller and a willing buyer, on an “as is where is” basis, free of any existing charters or other contracts for employment. The cost of such determination shall be for the account of the Issuer and such determinations shall be made semi-annually.

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

- (a) the consolidated business, assets and financial condition of the Obligors taken as a whole; or
- (b) the ability of the Obligors taken as a whole to perform their payment obligations under the Finance Documents; or
- (c) the validity or enforceability of any of the Transaction Security Documents taken as a whole which is (i) materially prejudicial to the interests of the Bondholders taken as a whole under the Finance Documents and (ii) if capable of remedy, is not remedied within any relevant remedy provision under the Bond Terms.

“**Maturity Date**” means 24 February 2025, adjusted according to the Business Day Convention.

“**Mortgages**” means the first priority mortgages over the Vessels including all relevant equipment being legally part of the Vessels under the appropriate law (including any declaration of pledge or deed of covenants supplemental thereto and to the security thereby created) in favour of the Security Agent.

“**Net Debt**” means, at any time, the aggregate amount of all obligations of members of the Parent Group for or in respect of Financial Indebtedness at that time but:

- (a) excluding any such obligations to any other member of the Parent Group;
- (b) excluding any such obligations in respect of any Shareholder Loans and, to the extent they constitute borrowings, any other shareholder injections;
- (c) including, in the case of finance leases only, their capitalised value; and
- (d) deducting the aggregate amount of cash and cash equivalents held by any member of the Parent Group at that time, and so that no amount shall be included or excluded more than once.

“**Net Profit**” means the net profit (calculated in accordance with GAAP) of the Parent Group according to its latest annual financial statements.

“**Nominal Amount**” means the Initial Nominal Amount (less the aggregate amount by which each Bond has been partially redeemed, if any, pursuant to Clause 10 (*Redemption and repurchase of Bonds*)), or any other amount following a split of Bonds pursuant to paragraph (j) of Clause 17.2 (*The duties and authority of the Bond Trustee*).

“**Obligors**” means the Issuer and the Guarantors.

“**Optional Early Redemption Amount**” means an amount equal to the sum of:

- (a) the present value on the Call Option Repayment Date of the First Call Price of the Nominal Amount of the redeemed Bonds as if such payment originally had taken place on the First Call Date; and
- (b) the present value on the Call Option Repayment Date of the remaining interest payments of the redeemed Bonds, less any accrued and unpaid interest on the redeemed Bonds as at the Call Option Repayment Date, to the First Call Date,

where the present value shall be calculated by using a discount rate of 50 basis points per annum.

“**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.

“**Parent**” means Hurtigruten Group AS, a company existing under the laws of Norway with registration number 914 148 324.

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

“**Parent Group Company**” means each member of the Parent Group.

“**Parent Existing Facilities Agreement**” means the EUR 660,000,000 senior term and revolving facilities agreement dated 9 February 2018 entered into between (among others) the Parent and certain other parties, as from time to time amended, supplemented, restated or refinanced.

“**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 Disposal**” has the meaning ascribed to such term under Clause 13.8 (*Disposals*).

“**Permitted Distribution**” means a Distribution which is made at a time when:

- (a) no Event of Default is continuing or would result from making a Distribution;
- (b) prior to completion of the IPO, the Leverage is equal to or less than 3.75:1 provided that the relevant Distribution does not exceed 25% of the Net Profit; or
- (c) following completion of the IPO:
 - (i) the Leverage is equal to or less than 3.750:1 provided that the relevant Distribution does not exceed 50% of the Net Profit;
 - (ii) the Leverage is equal to or less than 3.375:1 provided that the relevant Distribution does not exceed 75% of the Net Profit; or
 - (iii) the Leverage is equal to or less than 3.000:1 provided that the relevant Distribution does not exceed 100% of the Net Profit.

The calculation shall be made as per a testing date determined by the Issuer, falling no earlier than one (1) month prior to making the Distribution, by taking into account the following calculation principles (on a pro forma basis):

- (i) any cash to be subject to a Distribution shall increase the Net Debt;
- (ii) the figures for Adjusted EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Report shall be used for the calculation of the Leverage; and

- (iii) following the IPO, the Leverage and the Net Profit shall be calculated on a consolidated basis for the Listed Company and its subsidiaries (and any references to the Parent Group in the definition of EBITDA, Adjusted EBITDA, Net Debt or Net Profit shall for that purpose be deemed to be a reference to the Listed Company and its subsidiaries on a consolidated basis, accordingly).

“Permitted Financial Indebtedness” means Financial Indebtedness:

- (a) incurred under the Finance Documents;
- (b) incurred under Intercompany Loans;
- (c) arising under hedging transactions of currency or interest rate in the ordinary course of business, and not being made for investment or speculative purposes; and/or
- (d) not otherwise permitted above which at any time in aggregate does not exceed EUR 5,000,000 (or its equivalent in other currencies) and which is incurred in the ordinary course of business.

“Permitted Financial Support” means any financial guarantee or loan (financial support):

- (a) provided under the Finance Documents;
- (b) provided by an Obligor to and for the benefit of another Obligor;
- (c) granted as a guarantee by the Issuer under the Parent Existing Facilities Agreement;
- (d) on normal commercial terms required (A) in the ordinary course of business and operation of a Vessel, (B) by any protection and indemnity or war risks association with which a Vessel is entered, (C) to procure the release of a Vessel from any arrest, detention, attachment or levy or (D) for the salvage of a Vessel;
- (e) in the form of an indemnity given in the ordinary course of the documentation of a Permitted Disposal;
- (f) any guarantee given in respect of the netting or set-off arrangements permitted pursuant to sub-clause (b) of the definition of “Permitted Security”; and/or
- (g) not otherwise permitted above which at any time in aggregate does not exceed EUR 5,000,000 (or its equivalent in other currencies) and which is granted in the ordinary course of business.

“Permitted Holders” means TDR Capital LLP including its affiliates and funds managed by TDR Capital LLP, Strawberry Equities AS and Periscopos AS.

“Permitted Security” means any security:

- (a) created under the Finance Documents;

- (b) comprising a netting or set-off arrangement entered into by the Issuer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances; and/or;
- (c) arising by operation of law and in the ordinary course of business.

“Permitted Reorganisation” means the reorganisation as described in Clause 13.16 (*Permitted Reorganisation*).

“Put Option” shall have 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.

“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*).

“Quarter Date” means each 31 March, 30 June, 30 September and 31 December.

“Redemption Amount” shall have the meaning ascribed to such term in Clause 10.7 (*Mandatory redemption due to a Mandatory Prepayment Event*).

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

“Relevant Period” means each period of 12 consecutive calendar months ending on the last date of the period covered by the most recent Financial Report.

“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 16 (*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, Equity Clawback Repayment Date, the Default Repayment Date, the Put Option Repayment Date, the Tax Event Repayment Date, any date for repayment in accordance with Clause 10.6 (*Mandatory redemption due to a Total Loss Event*), any date for repayment in accordance with Clause 10.7 (*Mandatory redemption due to a Mandatory Prepayment Event*) or the Maturity Date.

“Secured Obligations” means all present and future obligations and liabilities of the Issuer and the other 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 Agent Agreement**” means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

“**Shareholder Loans**” means any shareholder loan granted or to be granted to the Parent, including a subordination statement (to the Bond Trustee) to ensure that (i) such loan is fully subordinated to the Guarantee (and the Bonds), and (ii) any repayment of principal, or payment of interest under, any such loan is subject to all present and future obligations and liabilities under the Bond Issue having been discharged in full, provided in each case that any payment under Shareholder Loans is permitted to the extent qualifying as a Permitted Distribution.

“**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.

“**TARGET Day**” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in euro.

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.5 (*Early redemption option due to a tax event*).

“**Total Loss Event**” means an event where there is an actual or constructive total loss of a Vessel.

“**Tour Operator**” means Hurtigruten AS, a company registered in Norway with organisation number 914 904 633 and wholly owned by the Parent.

“**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 Transaction Security Documents.

“**Transaction Security Documents**” means, collectively, the Escrow Account Pledge and all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*).

“**Vessels**” means the vessels MS “Roald Amundsen” (IMO no 9813072) and MS “Fridtjof Nansen” (IMO no 9813084)

“**Vessel Operator**” means Hurtigruten Cruise AS, a company registered in Norway with organization number 918 704 981 and wholly owned by the Tour Operator or another Parent Group Company.

“**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 16.5 (*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 EUR 300,000,000.

- (b) The Bonds are denominated in Euro (EUR), being the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.
- (c) The Initial Nominal Amount of each Bond is EUR 1.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply to all debt instruments issued under this ISIN, and any Overdue Amounts issued under a separate ISIN in accordance with the regulations of the CSD from time to time. However, and subject to paragraph (b) of Clause 16.1, 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.

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 (net of legal costs, fees of the Managers and the Bond Trustee and any other agreed costs and expenses) for simultaneous refinancing of the Existing ECA Facility related to the Vessels and for general corporate purposes.

2.4 Status of the Bonds

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 Transaction Security is granted in favour of the Security Agent with first priority within the times agreed in Clause 6 (*Conditions for disbursement*):
 - (i) the Escrow Account Pledge;
 - (ii) the Mortgages;
 - (iii) the Issuer Share Pledge;
 - (iv) the Assignment of Earnings;
 - (v) the Factoring Agreement;
 - (vi) the Assignment of Insurances; and
 - (vii) the Earnings Account Pledge.

- (b) The Transaction Security 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.
- (c) The Security Agent shall be irrevocably authorised to release any Guarantees and Transaction Security (A) over assets which are sold or otherwise disposed of (directly or indirectly) in compliance with these Bond Terms and (B) following an enforcement.

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 within 6 months of the Issue Date and thereafter remain listed on an 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 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) Payment of the net proceeds from the issuance of the Bonds to the Escrow Account 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 and the Parent's articles of association and of a full extract from the relevant company register in respect of the Issuer and the Parent evidencing that the Issuer and the Parent is validly existing;
 - (v) the Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;
 - (vi) copies of the Issuer's latest Financial Reports (if any);

- (vii) confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (viii) confirmation from the Issuer that no Event of Default has occurred and is continuing or will result from the issuance of the Bonds;
 - (ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (x) 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;
 - (xi) the Bond Trustee Fee Agreement duly executed by the parties thereto; and
 - (xii) 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 net proceeds from the Bond Issue (on the Escrow Account) will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) a duly executed release notice from the Issuer, including a statement that no Event of Default has occurred and is continuing as set out in Attachment 2;
 - (ii) unless delivered under this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) paragraph (a) as pre-settlement conditions precedent:
 - (A) copies of all necessary corporate resolutions of each Obligor required to provide the Transaction Security and execute the Finance Documents to which it is a party;
 - (B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Obligor 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 relevant Obligor;
 - (C) copies of each Obligor's articles of association and of a full extract from the relevant company register in respect of each Obligor evidencing that the Obligors are validly existing;
 - (iii) the Guarantees provided by the Guarantors, duly executed;
 - (iv) the Transaction Security Documents duly executed by all parties thereto and evidence of the establishment and perfection of the Transaction Security;

- (v) satisfactory documentation evidencing that the amount to be released shall be applied in accordance with the Purpose of the Bond Issue;
 - (vi) satisfactory evidence by way of insurance policies/cover notes evidencing that insurances related to the Vessels have been taken out in accordance with the insurance requirements as set out under Clause 14 (*Vessel Covenants*) and that the Security in the insurance policies have been noted in accordance with the relevant notices required under the Assignment of Insurances, letters of undertakings from the insurers and a third party insurance report from BankServe or other third party insurance advisor acceptable to the Bond Trustee;
 - (vii) customary documents and certificates related to the Vessels, including but not limited to transcript of registry for the Vessels, the Vessels' current Safety Mangement Certificate (SMC), a copy of the relevant ISPS Code Ship Security Certificate (ISSC), Vessel Operator's or technical manager's (as the case may be) Document of Compliance (DOC), class certificates and similar documents;
 - (viii) management agreements relating to the technical management of the Vessels (if any);
 - (ix) copy of the bareboat charters in respect of the Vessels between the Issuer and the Vessel Operator; and
 - (x) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Obligors and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) of this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) as pre-settlement conditions precedent)).
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), 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. Perfection of the Security (except for the Escrow Account Pledge) shall be established as soon as possible in accordance with the terms of the closing procedure on or immediately after the release of funds from the Escrow Account, including to allow for certain matters to be handled post disbursement, as customary or required for practical reasons.

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying 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 (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) above.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself and in respect of each Obligor 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 date of these Bond Terms;
- (b) at the Issue Date; and
- (c) on each date of disbursement of proceeds from the Escrow Account.

7.1 Status

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

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 Litigation

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

7.8 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 GAAP, consistently applied.

7.9 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.

7.10 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.

7.11 No withholdings

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

7.12 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*).

7.13 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 have 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 3 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 15.2 (*Acceleration of the Bonds*), or
- (ii) as a result of a resolution according to Clause 16 (*Bondholders' decisions*).

8.4 Taxation

- (a) Each Obligor 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 Obligors 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.
- (b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
 - (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
 - (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

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 will be repaid by the Issuer in the following instalments:
 - EUR 15,000,000 on each of the Interest Payment Dates from and including the Interest Payment Date in August 2023.
- (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% of the Nominal Amount (plus accrued interest on redeemed amount).

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem all but not only part of the Outstanding Bonds (the “**Call Option**”) on any Business Day from and including:
 - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Optional Early Redemption Amount;
 - (ii) the First Call Date to, but not including, the Interest Payment Date in February 2023 at a price equal to 101.688% of the Nominal Amount (plus accrued interest on redeemed bond) (the “**First Call Price**”);

- (iii) the Interest Payment Date in February 2023 to, but not including, the Interest Payment Date in February 2024 at a price equal to 100.844% of the Nominal Amount (plus accrued interest on the redeemed amount); and
 - (iv) the Interest Payment Date in February 2024 to, but not including, the Interest Payment Date in August 2024 at a price equal to 100.422% of the Nominal Amount (plus accrued interest on redeemed amount).
 - (v) the Interest Payment Date in August 2024 to, but not including, the Maturity Date at a price equal to the Nominal Amount (plus accrued interest on redeemed amount).
- (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. Unless the Optional Early Redemption Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Optional Early Redemption Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.
 - (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 Equity Clawback

- (a) The Issuer may, at any time from (but excluding) the Issue Date to (but excluding) the First Call Date, by written notice to the Bond Trustee no less than 10 Business Days and no more than 30 Business Days' prior to the proposed Equity Clawback Repayment Date use the net cash proceeds received by the Parent or the Listed Company from an equity offering (in connection with the IPO) to redeem up to 35% of the issue amount under the Bonds at a price equivalent to the call premium on the First Call Date.
- (b) Such redemption shall be applied pro rata between the Bondholders in accordance with the applicable regulations of the CSD.
- (c) Any accrued and unpaid interest on the Bonds being redeemed shall be paid together with principal on the Equity Clawback Repayment Date, provided that such interest shall not be included in the calculation of the amount of Bonds the Issuer is permitted to repay in accordance with this provision.

10.4 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% of the Nominal Amount.
- (b) The Put Option must be exercised within 15 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 15 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% 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.

10.5 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 at a price equal to 100% 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.

10.6 Mandatory redemption due to a Total Loss Event

Upon a Total Loss Event occurring, the Issuer shall as soon as it receives insurance proceeds, and in any event no later than 180 days following the Total Loss Event, redeem Bonds equivalent to the Redemption Amount at 100% of the Nominal Amount (plus accrued interest on the redeemed amount).

10.7 Mandatory redemption due to a Mandatory Prepayment Event

- a) Upon a Mandatory Prepayment Event occurring the Issuer shall, on or about the day the Issuer receives the proceeds from the relevant Mandatory Prepayment Event, redeem Bonds equivalent to the Redemption Amount (as defined below).
- b) The Issuer shall upon a Mandatory Prepayment Event, not later than 30 calendar days following such event, redeem:
 - (i) 100% of the Outstanding Bonds (plus accrued and unpaid interest) if related to both Vessels; or
 - (ii) 55% of the Outstanding Bonds if related to one of the Vessels.

In both (i) and (ii) at a redemption price equal to the First Call Price if such Mandatory Prepayment Event occurs prior to the First Call Date and at the prevailing Call Option price in accordance with Clause 10.2 (*Voluntary early redemption – Call Option*) if such Mandatory Prepayment Event occurs at the First Call Date or any time thereafter (the “**Redemption Amount**”).

For the avoidance of doubt, the Redemption Amount shall be determined based on the date the Mandatory Prepayment Event occurred and not based on the date the repayment is carried out.

- c) After a Mandatory Prepayment Event has occurred and redemption of Bonds has been carried out, the Bond Trustee shall upon the request and cost of the Issuer, release the Security relating solely to the disposed Vessel.
- d) Proceeds received from a Mandatory Prepayment Event, net of (i) the relevant Redemption Amount, and (ii) any fees or expenses related to the sale, shall be transferred to the Issuer.

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 or the Parent’s 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 (unless an exemption from standard information requirements pertaining to the listing of the Bonds is granted by the Exchange, in which case any later date specified in the exemption shall apply).
- (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 Quarter Date.

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 and setting out (in reasonable detail) computations evidencing compliance with Clause 13.17 (*Financial Covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using GAAP consistently applied.

12.3 Put Option Event

The Issuer shall inform the Bond Trustee in writing as soon as possible after becoming aware that a Put Option Event has occurred.

12.4 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (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) 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 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;
- (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; and

- (h) 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.

13. GENERAL AND FINANCIAL 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 and financial 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 if a failure to do so would have Material Adverse Effect.

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 Corporate status

The Issuer shall subject to the Permitted Reorganisation (i) not change its type of organization or jurisdiction of incorporation, and shall (ii) ensure that no other Group Company shall change its type of organization or jurisdiction of incorporation.

13.4 Mergers and de-mergers

The Issuer shall subject to the Permitted Reorganisation not carry out 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, if such transaction has a Material Adverse Effect.

13.5 Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will, incur, create or permit to subsist any Financial Indebtedness other than the Permitted Financial Indebtedness.

13.6 Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or permit to subsist any Security over any of its/their assets or enter into arrangements having a similar effect other than the Permitted Security.

13.7 Financial support

The Issuer shall not, and shall procure that no other Group Company will, grant any Financial Support to or for the benefit of any third party or other Group Company, other than any Permitted Financial Support.

13.8 Disposals

The Issuer shall not sell or otherwise dispose of any of the Vessels, unless permitted under the Bond Terms or the Bonds are redeemed in accordance with the Mandatory Prepayment provisions in Clause 10.6 (*Mandatory redemption due to a Total Loss Event*) or Clause 10.7

(Mandatory redemption due to a Mandatory Prepayment Event) (each a “**Permitted Disposal**”).

13.9 Arm’s length transactions

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall not, and shall ensure that no other Group Company shall, engage, directly or indirectly, in any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except on an arm’s length basis (or better from the perspective of the Issuer or other Group Companies).

13.10 Anti-corruption and sanctions

The Issuer shall, and shall procure that each other Group Company will: (a) ensure that no proceeds from the Bond Issue are used directly or indirectly for any purpose which would breach any applicable acts, regulations or laws on bribery, corruption or similar; and (b) conduct its businesses and maintain policies and procedures in compliance with applicable anti-corruption laws. The Issuer shall not, and shall ensure that no Group Company will, engage in any conduct prohibited by any sanctions.

13.11 Single Purpose Company

The Issuer shall not trade, carry on any business, own any material assets or incur any liabilities except for, in the ordinary course of business, related to the ownership and operation of the Vessels or otherwise permitted by these Bond Terms. The Vessels shall be in the absolute ownership of the Issuer, free and clear of all encumbrances other than as permitted by the Finance Documents, and the Issuer shall not change the ownership of the Vessels unless:

- (a) such change of ownership of a Vessel is to a wholly owned single purpose Subsidiary of the Issuer where that wholly owned Subsidiary provides the Security (set out in item (ii) through (vii) under the Clause 2.5 (*Transaction Security*)) and a share pledge is granted by the Issuer over its shares in such wholly owned Subsidiary; or
- (b) a Mandatory Prepayment Event has occurred.

13.12 Continuation of business

The Issuer shall not, and shall ensure that no other Group Company will, cease to carry on its business or change the general nature of its business from that carried on by the Group at the date of these Bond Terms.

13.13 Maintain Transaction Security Documents

The Issuer shall maintain the Transaction Security Documents in full force and effect, and do all acts which may be necessary to ensure that such Security remains duly created, enforceable and perfected with first priority ranking, creating the Security contemplated thereunder, at the expense of the Issuer, or the relevant security provider (as the case may be).

13.14 Investments

The Issuer shall procure that no Group Company make any material investments or capital expenditures, other than solely related to upgrades and operation of the Vessels.

13.15 Credit Ratings

The Issuer shall during the term of the Bonds maintain its Credit Rating.

13.16 Permitted Reorganisation

Notwithstanding anything to the contrary under these Bond Terms, the Parent shall be entitled to reorganise the Parent Group for the purpose of reorganising (i) the indirect ownership and operation of the expedition cruise vessels into Hurtigruten Expedition Fleet AS and Hurtigruten Expedition Cruise AS (ii) the indirect ownership and operation of the coastal cruise vessels into Hurtigruten Coastal Fleet AS and Hurtigruten Coastal Cruise AS and (iii) reorganising the entire business relating to the tour operation (sales and packaging) into the Tour Operator, provided that:

- (a) the Issuer will continue to be the direct or indirect owner of the Vessels;
- (b) the Vessels will be chartered on bareboat charters to Hurtigruten Expedition Cruise AS which with effect from the Permitted Reorganisation shall be deemed (and included in the defined term) as a Vessel Operator and Guarantor under these Bond Terms;
- (c) Hurtigruten Expedition Fleet AS, Hurtigruten Expedition Cruise AS, Hurtigruten Coastal Fleet AS and Hurtigruten Coastal Cruise AS (the “**Additional Guarantors**”) shall with effect from the later to occur of (i) the Permitted Reorganisation and (ii) the Additional Guarantors having acceded as guarantors and granted security under the Parent Existing Facilities Agreement be deemed as Guarantors under these Bond Terms; and
- (d) Hurtigruten Expedition Fleet AS shall in relation to such reorganisation provide a share pledge over the shares in the Issuer.

The Issuer shall no later than 30 Business Days prior to the Permitted Reorganisation inform the Bond Trustee in writing of the intended reorganisation in order to agree a closing procedure for establishing of the Security and Guarantees contemplated by the Permitted Reorganisation.

13.17 Financial Covenants

The Parent and the Issuer shall at all times (in each case on a consolidated basis) maintain the following minimum Free Liquidity in respect of the:

- (a) **Parent:** EUR 15,000,000; and
- (b) **Issuer:** an amount equal to 50% of interest and amortization payable on the next Interest Payment Date.

Such compliance shall be certified with the delivery of each Compliance Certificate with reference to the relevant Quarter Date.

14. VESSEL COVENANTS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 14 (*Vessel Covenants*).

14.1 Compliance with laws

The Issuer shall procure, and shall procure that each relevant Group Company procures that the Vessels are operated in all material respects in accordance with applicable laws and regulations and good industry standards.

14.2 Earnings

The Issuer shall procure, and shall procure that each relevant Group Company procures that all Earnings related to the Vessels, any insurance, sales proceeds, and any other earnings in the Group's business, in each case payable to the Group, shall be paid into the relevant Earnings Accounts.

14.3 Change of flag

The Issuer shall procure, and shall procure that each relevant Group Company procures that the Vessels maintain flag and class and remain registered in the Norwegian ship register (NIS or NOR), Marshall Islands or an EEA/UK flag or another ship registry acceptable to the Bond Trustee and in consistency with prudent ownership and good industry standards (and where the Bond Trustee shall be given notice of any changes to name, flag, class or registry of a Vessel prior to any such changes becoming effective).

14.4 Maintenance

The Issuer shall procure, and shall procure that each relevant Group Company procures that the Vessels and all relevant equipment related thereto are reasonably and satisfactorily maintained at all times. During operation of the Vessels, the Issuer shall ensure that the Vessels are properly maintained and kept in good and safe condition and that repairs are consistent with prudent ownership and industry standards.

14.5 Insurance

The Issuer shall procure, and shall procure that each relevant Group Company procures that insurance of the Vessels are taken out and maintained with financially sound and reputable insurance companies, funds or underwriters, including adequate insurance arrangements with respect to its assets, equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice in their relevant jurisdiction (the Vessels to be insured at the higher of 100% of the Market Value and 120% of the issue amount under the Bonds outstanding, less any amount on the Escrow Account, at any time).

14.6 Technical inspection

The Issuer shall procure, and shall procure that each relevant Group Company procures that upon request of the Bond Trustee, arrange for the Bond Trustee, and/or any person appointed by the Bond Trustee, to undertake a technical inspection of the Vessels without interference of the daily operation of the Vessels and at the expense of the Issuer (however limited to maximum one yearly inspection per Vessel unless an Event of Default has occurred and is continuing).

15. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

15.1 Events of Default

Each of the events or circumstances set out in this Clause 15.1 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 any Obligor under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made.

(d) *Cross default*

If for any Obligor:

- (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 EUR 10,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Obligor:

- (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 its 'ability to perform its 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 (d) (*Cross default*) of this Clause 15.1 (*Events of 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 Obligor having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) of this Clause 15.1 (*Events of Default*) 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 such Obligor 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.

15.2 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 15.3 (*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.

15.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 15.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, 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.

15.4 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 set out in the Default Notice);

- (a) for any Event of Default arising out of a breach of paragraph (a) (*Non-payment*) of Clause 15.1 (*Events of Default*), 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.

16. BONDHOLDERS' DECISIONS

16.1 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 17.1 (*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% 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 paragraph (a), section (i) and (ii) of Clause 18.1 (*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.

16.2 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.

16.3 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 16 (*Bondholder' 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.

16.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 16.1 (*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 16.1 (*Authority of the Bondholders' Meeting*), Clause 16.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 16.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (d) of Clause 16.1 (*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 16.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 16.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

16.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 16.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (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 16.1 (*Authority of the Bondholders' Meeting*), 16.2 (*Procedure for arranging a Bondholder's Meeting*), Clause 16.3 (*Voting Rules*) and Clause 16.4 (*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 16.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 16.5 (*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 16.1 (*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 16.1(*Authority of Bondholders' Meeting*).

17. THE BOND TRUSTEE

17.1 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.

17.2 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 17.4 (*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 amount in order to facilitate partial redemptions, restructuring of the Bonds or other situations.

17.3 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.

17.4 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 Obligor, 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 Transaction 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 15.3 (*Bondholders' instructions*) or Clause 16.2 (*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.

17.5 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 16 (*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 17.5 (*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 17.5 (*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.

17.6 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 Transaction

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 17.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

18. AMENDMENTS AND WAIVERS

18.1 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 16 (*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 Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

18.2 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.

18.3 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 18 (*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 18.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

19. MISCELLANEOUS

19.1 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.

19.2 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.

19.3 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.

19.4 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 paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.4 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*);
 - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
 - (C) any 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 19.4 (*Defeasance*) may not be reversed.

20. GOVERNING LAW AND JURISDICTION

20.1 Governing law

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

20.2 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.

20.3 Alternative jurisdiction

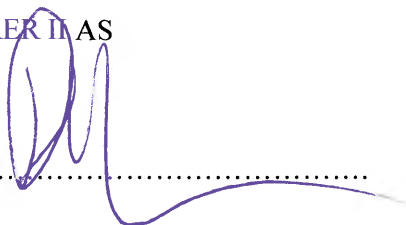
Clause 20 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (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.

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

SIGNATURES:

<p>The Issuer:</p> <p>EXPLORER II AS</p>  <p>.....</p> <p>By: DANIEL SEFELDT</p> <p>Position: CHAIRMAN</p>	<p>As Bond Trustee and Security Agent:</p> <p>NORDIC TRUSTEE AS</p> <p>.....</p> <p>By:</p> <p>Position:</p>
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These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

The Issuer: EXPLORER II AS By: Position:	As Bond Trustee and Security Agent: NORDIC TRUSTEE AS  By: Ellen Søliland Authorised signatory Position:
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**ATTACHMENT 1
COMPLIANCE CERTIFICATE**

[date]

Explorer II AS 3.375% senior secured EUR 300,000,000 bonds 2020/2025 ISIN NO0010874548

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 (*Requirements as to Financial Reports*) 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 and there has been no material adverse change to the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The Financial Covenants set out in Clause 13.17 (*Financial Covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,
Explorer II AS

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

ATTACHMENT 2
RELEASE NOTICE – ESCROW ACCOUNT

[date]

Dear Sirs,

Explorer II AS 3.375% senior secured EUR 300,000,000 bonds 2020/2025 ISIN NO0010874548

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.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw an amount of [currency and amount] from the Escrow Account applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (ii) we repeat the representations and warranties set out in the Bond Terms as being still true and accurate in all material respects at the date hereof.

Yours faithfully,
Explorer II AS

Name of authorized person

Enclosure: [copy of any written documentation evidencing the use of funds]

GUARANTEE AGREEMENT
(No. *selvskyldnerkausjon*)

between

HURTIGRUTEN GROUP AS
as Guarantor

and

NORDIC TRUSTEE AS
as Security Agent

25 February 2020

TABLE OF CONTENTS

1 DEFINITIONS AND INTERPRETATIONS..... 3
2 GUARANTEE 4
3 PAYMENT 4
4 CLAIM AGAINST THE ISSUER..... 5
5 REPRESENTATIONS AND WARRANTIES 5
6 GUARANTOR AND PARENT UNDERTAKINGS..... 6
7 CONTINUING GUARANTEE AND OTHER MATTERS..... 7
8 FURTHER ASSURANCE 7
9 ENFORCEMENT 8
10 APPLICATION OF PROCEEDS 8
11 INDEMNITY 8
12 POWER OF ATTORNEY 8
13 ASSIGNMENT 8
14 RELEASE OF GUARANTEE 8
15 MISCELLANEOUS PROVISIONS 9
16 GOVERNING LAW AND JURISDICTION 9

SCHEDULE:

SCHEDULE 1: FORM OF NOTICE OF DEMAND

THIS GUARANTEE AGREEMENT (the "**Guarantee**") is dated 25 February 2020 and made between:

- (1) **HURTIGRUTEN GROUP AS**, a company incorporated under the laws of Norway with company registration number 914 148 324, having its registered address at Storgata 70, NO-9008 Tromsø, Norway (the "**Guarantor**"); and
- (2) **NORDIC TRUSTEE AS**, a company incorporated under the laws of Norway with company registration number 963 342 624, having its registered address at Kronprinsesse Märthas plass 1, NO-0160 Oslo, Norway, as security agent (the "**Security Agent**") on behalf of the Secured Parties (as defined in the Bond Terms (as defined below)).

WHEREAS:

- (A) Pursuant to certain bond terms dated 14 February 2020 (as amended, restated, modified or supplemented from time to time, the "**Bond Terms**") and made between Explorer II AS as issuer (the "**Issuer**") and the Security Agent as bond trustee for the Bondholders, the Issuer will issue bonds (with ISIN NO0010874548) in an aggregated amount of EUR 300,000,000 (the "**Bonds**"), subject to the terms and conditions of the Bond Terms.
- (B) It is a condition precedent under the Bond Terms that the Guarantor executes and delivers this irrevocable and unconditional guarantee.
- (C) The Security Agent shall hold the guarantee created hereunder for the benefit of the Secured Parties pursuant to the terms and conditions of the Bond Terms.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Guarantee:

"**Guaranteed Obligations**" means all present and future obligations and liabilities of the Issuer and the other Obligors under the Finance Documents.

"**Guarantee Period**" means the period beginning on the date of this Guarantee and ending on the date upon which all the Guaranteed Obligations have been unconditionally and irrevocably paid and discharged in full.

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

1.2 Other defined terms

Capitalised terms not otherwise defined in this Guarantee shall have the meaning given to them in the Bond Terms.

1.3 Construction

- a) Terms that are not capitalised but subject to a certain construction pursuant to Clause 1.2 (*Construction*) of the Bond Terms, shall have the same meaning in this Guarantee unless a contrary indication appears.
- b) In this Guarantee, a reference to a Clause or a Schedule is a reference to a clause of, or a schedule to, this Guarantee, except as otherwise indicated in this Guarantee.

1.4 Conflict

This Guarantee is entered into subject to the terms of the Bond Terms. In the event of a conflict between the terms of this Guarantee and the Bond Terms, then, to the extent the Secured Parties' rights hereto would not be negatively affected, the terms of the Bond Terms shall prevail.

2 GUARANTEE

2.1 Guarantee

- a) The Guarantor hereby irrevocably and unconditionally, on the terms and conditions set out herein, guarantees as independent primary obligor (No. *selvskyldnerkausjonist*) to the Security Agent (on behalf, and for the benefit, of the Secured Parties) the payment, discharge and performance of the Guaranteed Obligations.
- b) The Guarantor hereby irrevocably and unconditionally undertakes with the Security Agent (on behalf, and for the benefit, of the Secured Parties) that it shall, on the Security Agent's demand and until the expiry of the Guarantee Period, pay any amount owed by the Issuer in connection with the Guaranteed Obligations as if the Guarantor was the principal obligor.
- c) The Guarantor hereby irrevocably and unconditionally indemnifies the Security Agent (on behalf, and for the benefit, of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Guaranteed Obligations is or becomes unenforceable, invalid or illegal.

2.2 Maximum liability

The liability of the Guarantor shall be limited to EUR 300,000,000 plus any unpaid amount of interest, fees, liability, premium and expenses in respect of the Guaranteed Obligations.

3 PAYMENT

3.1 Payment on demand

In the case of failure by the Issuer punctually to pay any sum due under the Finance Documents (whether by acceleration or at stated maturity), the Guarantor hereby agrees to make such payment within five (5) Business Days of written notice of demand from the Security Agent, substantially in the form attached as Schedule 1 hereto. For the avoidance of doubt, this obligation shall not be construed to be a waiver of the Guarantor's right to invoke any lawful defense it may have as an independent primary obligor (No. *selvskyldner*).

3.2 Tax gross-up

- a) The Guarantor shall make all payments to be made by it without any deduction or withholding for or on account of tax from a payment under the Guarantee, unless such deduction or withholding is required by law.
- b) The Guarantor shall, if any tax is withheld in respect of any payment under the Guarantee:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Security Agent receives 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 Security Agent, deliver to the Security Agent evidence that the required tax deduction or withholding has been made.

3.3 Set-off and counterclaims

All payments to be made by the Guarantor under this Guarantee shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

4 CLAIM AGAINST THE ISSUER

The Guarantor shall not, until the Guaranteed Obligations have been duly and irrevocably fulfilled and discharged in full:

- a) demand payment from the Issuer of amounts paid under this Guarantee without the written consent of the Security Agent; or
- b) prove in the liquidation or insolvency of the Issuer without the written consent of the Security Agent in respect of any moneys paid or payable or contingently payable by the Guarantor under this Guarantee, and if such consent is given shall give the Security Agent the benefit of every such proof and all moneys to be received in respect thereof.

5 REPRESENTATIONS AND WARRANTIES

5.1 Representations

The Guarantor represents and warrants to the Security Agent that:

- a) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Guarantee and the transactions contemplated by this Guarantee; and
- b) this Guarantee does not conflict with any of its constitutional documents, any of its contracts or any applicable Norwegian law or regulation.

5.2 Time when representations are made

All the representations and warranties set out in this Clause 5 are made by the Guarantor on the date of this Guarantee.

6 GUARANTOR AND PARENT UNDERTAKINGS

- a) The Guarantor undertakes not to do or cause or permit to be done anything, or omit to take any action, which will, or could be reasonably expected to adversely affect the rights of the Security Agent under this Guarantee, or cause an Event of Default to occur, or which is in any way inconsistent with or depreciates, jeopardises or otherwise prejudices the rights of the Security Agent under this Guarantee.
- b) *Compliance with laws:* The Guarantor shall and shall ensure that the Parent Group Companies will comply in all material respects with all laws and regulations to which it may be subject from time to time.
- c) *Anti-corruption and sanctions:* The Guarantor shall:
 - (i) ensure that no proceeds from the Bond Issue are used directly or indirectly for any purpose which would breach any applicable acts, regulations or laws on bribery, corruption or similar; and
 - (ii) conduct its businesses and maintain policies and procedures in compliance with applicable anti-corruption laws. The Guarantor shall not, and shall ensure that none of the Parent Group Companies will, engage in any conduct prohibited by any sanctions.
- d) *Corporate status:* The Guarantor shall subject to the Permitted Reorganisation not change its type of organization or jurisdiction of incorporation.
- e) *De-merger:* The Guarantor shall subject to the Permitted Reorganisation not carry out any de-merger or other corporate reorganization involving a split into two or more separate companies or entities if such transaction has a Material Adverse Effect.
- f) *Continuation of business:* The Guarantor shall not cease to carry on its business, if such cessation would have a Material Adverse Effect, and shall procure that no substantial change is made to the general nature of the business from that carried on at the date of this Guarantee.
- g) *Arm's length transactions:* The Guarantor shall not engage in any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service) other than on an arm's length basis or better (from the perspective of the Guarantor).
- h) *Ownership:* The Guarantor shall ensure that it (directly or indirectly) remains the 100% owner of the shares and voting rights in the Issuer, unless the Bonds are redeemed in accordance with clause 10.7 (*Mandatory redemption due to a Mandatory Prepayment Event*) of the Bond Terms.
- i) *Distributions:* The Guarantor shall not, and shall ensure that no other Parent Group Company will, make any Distribution other than a Distribution in favour of another Parent Group Company or a Permitted Distribution.
- j) The undertakings in this Clause 6 remain in force throughout the Guarantee Period and are given to each of the Security Agent and the Secured Parties.

7 CONTINUING GUARANTEE AND OTHER MATTERS

7.1 Continuing guarantee

The Guarantee is a continuing guarantee and shall extend to the ultimate balance of the Guaranteed Obligations and shall continue in full force and effect notwithstanding any intermediate payment or discharge in whole or in part of the Guaranteed Obligations and shall be effective until the Security Agent has confirmed in writing that the Guaranteed Obligations have been irrevocably discharged in full.

7.2 Waiver of defences

Subject only to applicable mandatory law, the obligations of the Guarantor under this Guarantee shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Guarantor from its obligations under this Guarantee or prejudice or diminish those obligations in whole or in part (unless such release or exoneration is intended), including (but not limited to):

- a) any time or waiver granted to, or composition with, the Guarantor or any other person;
- b) any release of the Guarantor or any other person under the terms of any composition or arrangement with the Guarantor or any other person;
- c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, the Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Guarantor or any other person;
- e) any amendment (however fundamental) or replacement of any Finance Document or any other document or Security;
- f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
- g) any insolvency or similar proceedings.

7.3 Other security

This Guarantee and the obligations of the Guarantor set out herein are in addition to, and independent of, any other guarantee or security which may be held by the Security Agent or any Secured Party at any time in respect of the Guaranteed Obligations. The Guarantor shall not be entitled to require the Security Agent first to proceed against or enforce any other guarantee or any security of, or claim payment from, the Issuer, any other Subsidiary or any other person.

8 FURTHER ASSURANCE

The Guarantor shall promptly do all such acts or execute all such documents (including, without limitation, assignments, transfers, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to fulfil the intention of this Guarantee.

9 ENFORCEMENT

Upon and at any time following the occurrence of an Event of Default which is continuing, this Guarantee is enforceable and the Security Agent may (at its discretion) enforce all or any part of the Guarantee in accordance with the applicable statutory procedures of enforcement.

10 APPLICATION OF PROCEEDS

Any proceeds collected or received by the Security Agent on behalf of the Secured Parties after an enforcement of the Guarantee shall be applied by the Security Agent in payment of the Guaranteed Obligations in accordance with the provisions of the Bond Terms.

11 INDEMNITY

- a) Subject to the provisions of the Bond Terms, the Secured Parties and each agent or attorney appointed by the Security Agent shall be entitled to be indemnified by the Guarantor in respect of all liabilities, costs and expenses properly incurred by them in connection with:
- (i) the execution or purported execution of any rights, powers or discretion vested in them under this Guarantee;
 - (ii) the preservation or enforcement of its rights under this Guarantee; and
 - (iii) the release of any obligation under this Guarantee.
- b) No Secured Party shall be liable for any losses or costs incurred by the Guarantor in connection with the exercise or purported exercise of any of the Secured Parties' rights, powers and discretions in good faith under this Guarantee.

12 POWER OF ATTORNEY

The Guarantor hereby irrevocably appoints, to the extent permitted by applicable law, the Security Agent as its attorney-in-fact, with full power of substitution, to, following the occurrence of an Event of Default which is continuing, do any act which the Guarantor is obliged by this Guarantee to do, but in the reasonable opinion of the Security Agent has failed to do.

13 ASSIGNMENT

- a) The Security Agent may at any time assign or transfer any of its rights and/or obligations under this Guarantee in accordance with the terms of the Finance Documents.
- b) The Guarantor may not assign or transfer any of its rights and/or obligations under this Guarantee.

14 RELEASE OF GUARANTEE

Upon expiry of the Guarantee Period, the Security Agent shall, at the request and at the cost of the Guarantor, promptly release the Guarantor from all obligations hereunder and give such instructions and directions as the Guarantor reasonably may require in order to consummate such release.

15 MISCELLANEOUS PROVISIONS

15.1 Waivers

The rights of the Security Agent under this Guarantee may be waived only in writing and specifically, subject to the provisions of the Finance Documents, on such terms as the Security Agent sees fit.

15.2 Amendments

This Guarantee may not be amended unless by an instrument in writing signed by or on behalf of the Guarantor and the Security Agent (having obtained the requisite approval in accordance with the provisions of the Finance Documents).

15.3 Delegation

- a) The Security Agent may at any time delegate to any person(s) all or any of its rights, powers and discretions under this Guarantee on such terms (including power to sub-delegate) as the Security Agent sees fit and employ agents, managers, employees, advisers and others on such terms as it sees fit for any of the purposes set out in this Guarantee.
- b) The Security Agent will not be liable or responsible to the Guarantor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate unless such loss is caused directly by the gross negligence or wilful misconduct of the Security Agent.

15.4 Notices

The terms of clause 19.3 (*Notices, contact information*) of the Bond Terms shall apply as if incorporated in full into this Guarantee (with any logical adjustments).

15.5 Severability

- a) If a provision of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:
 - (i) the legality, validity or enforceability in that jurisdiction of any other provision of this Guarantee; or
 - (ii) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee.
- b) Notwithstanding paragraph a) above, the parties hereto agree that they will negotiate in good faith and will replace the invalid, void or unenforceable provision with a valid and enforceable provision which reflects as much as possible the intention of the parties as referred to in the provision thus replaced.

15.6 Counterparts

This Guarantee may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.

16 GOVERNING LAW AND JURISDICTION

- a) This Guarantee shall be governed by and construed in accordance with Norwegian law.

- b) The courts of Norway shall have exclusive jurisdiction over matters arising out of or in connection with this Guarantee. The Oslo District Court (No. *Oslo tingrett*) shall be the court of first instance. The submission to the jurisdiction of the Norwegian Courts shall not limit the right of the Security Agent or a Secured Party to take proceedings against the Guarantor in any court which may otherwise exercise jurisdiction over the Guarantor or any of its assets.

* * *

This Guarantee has been entered into on the date stated at the beginning of this Guarantee by the Guarantor listed on the execution page at the end of this Guarantee.

SCHEDULE 1: FORM OF NOTICE OF DEMAND

To: Hurtigruten Group AS

GUARANTEE DATED 25 FEBRUARY 2020 FOR THE OBLIGATIONS OF EXPLORER II AS – NOTICE OF DEMAND

Dear Sirs,

We make reference to the Guarantee executed by yourselves in our favour dated 25 February 2020 in connection with the senior secured EUR 300,000,000 bonds with ISIN NO0010874548, issued pursuant to the Bond Terms dated 14 February 2020.

We hereby notify you that the obligations of the Issuer as described in the above mentioned Guarantee, [*amount*] are due and unpaid. Consequently, we hereby demand from you the prompt payment of [*amount*] which shall be paid forthwith to our account no. [•].

Place/date

Yours faithfully,
Nordic Trustee AS

By: _____

Name:

Title:

SIGNATORIES

The Guarantor:
HURTIGRUTEN GROUP AS

By: Sebastian Andersen

Name:

Title: **Attorney in fact**

The Security Agent:
NORDIC TRUSTEE AS

By:

Name:

Title:

SIGNATORIES

The Guarantor:
HURTIGRUTEN GROUP AS

By:

Name:

Title:

The Security Agent:
NORDIC TRUSTEE AS

By:



Name:

Title: **Ellen Søliland**
Authorised signatory

GUARANTEE AGREEMENT
(No. *selvskyldnerkausjon*)

between

HURTIGRUTEN AS
as Guarantor

and

NORDIC TRUSTEE AS
as Security Agent

25 February 2020

TABLE OF CONTENTS

1	DEFINITIONS AND INTERPRETATIONS.....	3
2	GUARANTEE	4
3	PAYMENT	4
4	CLAIM AGAINST THE ISSUER.....	5
5	REPRESENTATIONS AND WARRANTIES	5
6	UNDERTAKINGS.....	6
7	CONTINUING GUARANTEE AND OTHER MATTERS.....	6
8	FURTHER ASSURANCE	7
9	ENFORCEMENT	7
10	APPLICATION OF PROCEEDS	7
11	INDEMNITY	7
12	POWER OF ATTORNEY	7
13	ASSIGNMENT	8
14	RELEASE OF GUARANTEE.....	8
15	MISCELLANEOUS PROVISIONS	8
16	GOVERNING LAW AND JURISDICTION	9

SCHEDULE:

SCHEDULE 1: FORM OF NOTICE OF DEMAND

THIS GUARANTEE AGREEMENT (the "**Guarantee**") is dated 25 February 2020 and made between:

- (1) **HURTIGRUTEN AS**, a company incorporated under the laws of Norway with company registration number 914 904 633, having its registered address at Storgata 70, NO-9008 Tromsø, Norway (the "**Guarantor**"); and
- (2) **NORDIC TRUSTEE AS**, a company incorporated under the laws of Norway with company registration number 963 342 624, having its registered address at Kronprinsesse Märthas plass 1, NO-0160 Oslo, Norway, as security agent (the "**Security Agent**") on behalf of the Secured Parties (as defined in the Bond Terms (as defined below)).

WHEREAS:

- (A) Pursuant to certain bond terms dated 14 February 2020 (as amended, restated, modified or supplemented from time to time, the "**Bond Terms**") and made between Explorer II AS as issuer (the "**Issuer**") and the Security Agent as bond trustee for the Bondholders, the Issuer will issue bonds (with ISIN NO0010874548) in an amount aggregated of EUR 300,000,000 (the "**Bonds**"), subject to the terms and conditions of the Bond Terms.
- (B) It is a condition precedent under the Bond Terms that the Guarantor executes and delivers this irrevocable and unconditional guarantee.
- (C) The Security Agent shall hold the guarantee created hereunder for the benefit of the Secured Parties pursuant to the terms and conditions of the Bond Terms.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Guarantee:

"Guaranteed Obligations" means all present and future obligations and liabilities of the Issuer and the other Obligors under the Finance Documents.

"Guarantee Period" means the period beginning on the date of this Guarantee and ending on the date upon which all the Guaranteed Obligations have been unconditionally and irrevocably paid and discharged in full.

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

1.2 Other defined terms

Capitalised terms not otherwise defined in this Guarantee shall have the meaning given to them in the Bond Terms.

1.3 Construction

- a) Terms that are not capitalised but subject to a certain construction pursuant to Clause 1.2 (*Construction*) of the Bond Terms, shall have the same meaning in this Guarantee unless a contrary indication appears.
- b) In this Guarantee, a reference to a Clause or a Schedule is a reference to a clause of, or a schedule to, this Guarantee, except as otherwise indicated in this Guarantee.

1.4 Conflict

This Guarantee is entered into subject to the terms of the Bond Terms. In the event of a conflict between the terms of this Guarantee and the Bond Terms, then, to the extent the Secured Parties' rights hereto would not be negatively affected, the terms of the Bond Terms shall prevail.

2 GUARANTEE

2.1 Guarantee

- a) The Guarantor hereby irrevocably and unconditionally, on the terms and conditions set out herein, guarantees as independent primary obligor (No. *selvskyldnerkausjonist*) to the Security Agent (on behalf, and for the benefit, of the Secured Parties) the payment, discharge and performance of the Guaranteed Obligations.
- b) The Guarantor hereby irrevocably and unconditionally undertakes with the Security Agent (on behalf, and for the benefit, of the Secured Parties) that it shall, on the Security Agent's demand and until the expiry of the Guarantee Period, pay any amount owed by the Issuer in connection with the Guaranteed Obligations as if the Guarantor was the principal obligor.
- c) The Guarantor hereby irrevocably and unconditionally indemnifies the Security Agent (on behalf, and for the benefit, of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Guaranteed Obligations is or becomes unenforceable, invalid or illegal.

2.2 Maximum liability

The liability of the Guarantor shall be limited to EUR 300,000,000 plus any unpaid amount of interest, fees, liability, premium and expenses in respect of the Guaranteed Obligations.

3 PAYMENT

3.1 Payment on demand

In the case of failure by the Issuer punctually to pay any sum due under the Finance Documents (whether by acceleration or at stated maturity), the Guarantor hereby agrees to make such payment within five (5) Business Days of written notice of demand from the Security Agent, substantially in the form attached as Schedule 1 hereto. For the avoidance of doubt, this obligation shall not be construed to be a waiver of the Guarantor's right to invoke any lawful defense it may have as an independent primary obligor (No. *selvskyldner*).

3.2 Tax gross-up

- a) The Guarantor shall make all payments to be made by it without any deduction or withholding for or on account of tax from a payment under the Guarantee, unless such deduction or withholding is required by law.
- b) The Guarantor shall, if any tax is withheld in respect of any payment under the Guarantee:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Security Agent receives 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 Security Agent, deliver to the Security Agent evidence that the required tax deduction or withholding has been made.

3.3 Set-off and counterclaims

All payments to be made by the Guarantor under this Guarantee shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

4 CLAIM AGAINST THE ISSUER

The Guarantor shall not, until the Guaranteed Obligations have been duly and irrevocably fulfilled and discharged in full:

- a) demand payment from the Issuer of amounts paid under this Guarantee without the written consent of the Security Agent; or
- b) prove in the liquidation or insolvency of the Issuer without the written consent of the Security Agent in respect of any moneys paid or payable or contingently payable by the Guarantor under this Guarantee, and if such consent is given shall give the Security Agent the benefit of every such proof and all moneys to be received in respect thereof.

5 REPRESENTATIONS AND WARRANTIES

5.1 Representations

The Guarantor represents and warrants to the Security Agent that:

- a) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Guarantee and the transactions contemplated by this Guarantee; and
- b) this Guarantee does not conflict with any of its constitutional documents, any of its contracts or any applicable Norwegian law or regulation.

5.2 Time when representations are made

All the representations and warranties set out in this Clause 5 are made by the Guarantor on the date of this Guarantee.

6 UNDERTAKINGS

- a) The Guarantor undertakes not to do or cause or permit to be done anything, or omit to take any action, which will, or could be reasonably expected to adversely affect the rights of the Security Agent under this Guarantee, or cause an Event of Default to occur, or which is in any way inconsistent with or depreciates, jeopardises or otherwise prejudices the rights of the Security Agent under this Guarantee.
- b) The undertakings in this Clause 6 remain in force throughout the Guarantee Period and are given to each of the Security Agent and the Secured Parties.

7 CONTINUING GUARANTEE AND OTHER MATTERS

7.1 Continuing guarantee

The Guarantee is a continuing guarantee and shall extend to the ultimate balance of the Guaranteed Obligations and shall continue in full force and effect notwithstanding any intermediate payment or discharge in whole or in part of the Guaranteed Obligations and shall be effective until the Security Agent has confirmed in writing that the Guaranteed Obligations have been irrevocably discharged in full.

7.2 Waiver of defences

Subject only to applicable mandatory law, the obligations of the Guarantor under this Guarantee shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Guarantor from its obligations under this Guarantee or prejudice or diminish those obligations in whole or in part (unless such release or exoneration is intended), including (but not limited to):

- a) any time or waiver granted to, or composition with, the Guarantor or any other person;
- b) any release of the Guarantor or any other person under the terms of any composition or arrangement with the Guarantor or any other person;
- c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, the Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Guarantor or any other person;
- e) any amendment (however fundamental) or replacement of any Finance Document or any other document or Security;
- f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
- g) any insolvency or similar proceedings.

7.3 Other security

This Guarantee and the obligations of the Guarantor set out herein are in addition to, and independent of, any other guarantee or security which may be held by the Security Agent or any Secured Party at any time in respect of the Guaranteed Obligations. The Guarantor shall not be entitled to require the Security Agent first to proceed against or enforce any other guarantee or any security of, or claim payment from, the Issuer, any other Subsidiary or any other person.

8 FURTHER ASSURANCE

The Guarantor shall promptly do all such acts or execute all such documents (including, without limitation, assignments, transfers, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to fulfil the intention of this Guarantee.

9 ENFORCEMENT

Upon and at any time following the occurrence of an Event of Default which is continuing, this Guarantee is enforceable and the Security Agent may (at its discretion) enforce all or any part of the Guarantee in accordance with the applicable statutory procedures of enforcement.

10 APPLICATION OF PROCEEDS

Any proceeds collected or received by the Security Agent on behalf of the Secured Parties after an enforcement of the Guarantee shall be applied by the Security Agent in payment of the Guaranteed Obligations in accordance with the provisions of the Bond Terms.

11 INDEMNITY

- a) Subject to the provisions of the Bond Terms, the Secured Parties and each agent or attorney appointed by the Security Agent shall be entitled to be indemnified by the Guarantor in respect of all liabilities, costs and expenses properly incurred by them in connection with:
- (i) the execution or purported execution of any rights, powers or discretion vested in them under this Guarantee;
 - (ii) the preservation or enforcement of its rights under this Guarantee; and
 - (iii) the release of any obligation under this Guarantee.
- b) No Secured Party shall be liable for any losses or costs incurred by the Guarantor in connection with the exercise or purported exercise of any of the Secured Parties' rights, powers and discretions in good faith under this Guarantee.

12 POWER OF ATTORNEY

The Guarantor hereby irrevocably appoints, to the extent permitted by applicable law, the Security Agent as its attorney-in-fact, with full power of substitution, to, following the occurrence of an Event of Default which is continuing, do any act which the Guarantor is obliged by this Guarantee to do, but in the reasonable opinion of the Security Agent has failed to do.

13 ASSIGNMENT

- a) The Security Agent may at any time assign or transfer any of its rights and/or obligations under this Guarantee in accordance with the terms of the Finance Documents.
- b) The Guarantor may not assign or transfer any of its rights and/or obligations under this Guarantee.

14 RELEASE OF GUARANTEE

Upon expiry of the Guarantee Period, the Security Agent shall, at the request and at the cost of the Guarantor, promptly release the Guarantor from all obligations hereunder and give such instructions and directions as the Guarantor reasonably may require in order to consummate such release.

15 MISCELLANEOUS PROVISIONS

15.1 Waivers

The rights of the Security Agent under this Guarantee may be waived only in writing and specifically, subject to the provisions of the Finance Documents, on such terms as the Security Agent sees fit.

15.2 Amendments

This Guarantee may not be amended unless by an instrument in writing signed by or on behalf of the Guarantor and the Security Agent (having obtained the requisite approval in accordance with the provisions of the Finance Documents).

15.3 Delegation

- a) The Security Agent may at any time delegate to any person(s) all or any of its rights, powers and discretions under this Guarantee on such terms (including power to sub-delegate) as the Security Agent sees fit and employ agents, managers, employees, advisers and others on such terms as it sees fit for any of the purposes set out in this Guarantee.
- b) The Security Agent will not be liable or responsible to the Guarantor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate unless such loss is caused directly by the gross negligence or wilful misconduct of the Security Agent.

15.4 Notices

The terms of clause 19.3 (*Notices, contact information*) of the Bond Terms shall apply as if incorporated in full into this Guarantee (with any logical adjustments).

15.5 Severability

- a) If a provision of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:
 - (i) the legality, validity or enforceability in that jurisdiction of any other provision of this Guarantee; or

- (ii) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee.
- b) Notwithstanding paragraph a) above, the parties hereto agree that they will negotiate in good faith and will replace the invalid, void or unenforceable provision with a valid and enforceable provision which reflects as much as possible the intention of the parties as referred to in the provision thus replaced.

15.6 Counterparts

This Guarantee may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.

16 GOVERNING LAW AND JURISDICTION

- a) This Guarantee shall be governed by and construed in accordance with Norwegian law.
- b) The courts of Norway shall have exclusive jurisdiction over matters arising out of or in connection with this Guarantee. The Oslo District Court (No. *Oslo tingrett*) shall be the court of first instance. The submission to the jurisdiction of the Norwegian Courts shall not limit the right of the Security Agent or a Secured Party to take proceedings against the Guarantor in any court which may otherwise exercise jurisdiction over the Guarantor or any of its assets.

* * *

This Guarantee has been entered into on the date stated at the beginning of this Guarantee by the Guarantor listed on the execution page at the end of this Guarantee.

SCHEDULE 1: FORM OF NOTICE OF DEMAND

To: Hurtigruten AS

GUARANTEE DATED 25 FEBRUARY 2020 FOR THE OBLIGATIONS OF EXPLORER II AS – NOTICE OF DEMAND

Dear Sirs,

We make reference to the Guarantee executed by yourselves in our favour dated 25 February 2020 in connection with the senior secured EUR 300,000,000 bonds with ISIN NO0010874548, issued pursuant to the Bond Terms dated 14 February 2020.

We hereby notify you that the obligations of the Issuer as described in the above mentioned Guarantee, [*amount*] are due and unpaid. Consequently, we hereby demand from you the prompt payment of [*amount*] which shall be paid forthwith to our account no. [•].

Place/date

Yours faithfully,
Nordic Trustee AS

By: _____

Name:

Title:

SIGNATORIES

The Guarantor:
HURTIGRUTEN AS

By: Sebastian Andrese

Name:

Title: **Attorney in fact**

The Security Agent:
NORDIC TRUSTEE AS

By:

Name:

Title:

SIGNATORIES

The Guarantor:
HURTIGRUTEN AS

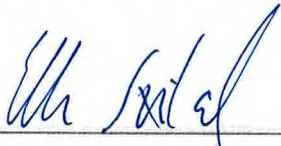
By:

Name:

Title:

The Security Agent:
NORDIC TRUSTEE AS

By:



Name:

Title:

Ellen Søliland
Authorised signatory

GUARANTEE AGREEMENT
(No. *selvskyldnerkausjon*)

between

HURTIGRUTEN CRUISE AS
as Guarantor

and

NORDIC TRUSTEE AS
as Security Agent

25 February 2020

TABLE OF CONTENTS

1	DEFINITIONS AND INTERPRETATIONS.....	3
2	GUARANTEE	4
3	PAYMENT	4
4	CLAIM AGAINST THE ISSUER.....	5
5	REPRESENTATIONS AND WARRANTIES	5
6	UNDERTAKINGS.....	6
7	CONTINUING GUARANTEE AND OTHER MATTERS.....	6
8	FURTHER ASSURANCE	7
9	ENFORCEMENT	7
10	APPLICATION OF PROCEEDS	7
11	INDEMNITY	7
12	POWER OF ATTORNEY	7
13	ASSIGNMENT	8
14	RELEASE OF GUARANTEE.....	8
15	MISCELLANEOUS PROVISIONS	8
16	GOVERNING LAW AND JURISDICTION	9

SCHEDULE:

SCHEDULE 1: FORM OF NOTICE OF DEMAND

THIS GUARANTEE AGREEMENT (the "**Guarantee**") is dated 25 February 2020 and made between:

- (1) **HURTIGRUTEN CRUISE AS**, a company incorporated under the laws of Norway with company registration number 918 704 981, having its registered address at Fredrik Langes gate 14, NO-9008 Tromsø, Norway (the "**Guarantor**"); and
- (2) **NORDIC TRUSTEE AS**, a company incorporated under the laws of Norway with company registration number 963 342 624, having its registered address at Kronprinsesse Märthas plass 1, NO-0160 Oslo, Norway, as security agent (the "**Security Agent**") on behalf of the Secured Parties (as defined in the Bond Terms (as defined below)).

WHEREAS:

- (A) Pursuant to certain bond terms dated 14 February 2020 (as amended, restated, modified or supplemented from time to time, the "**Bond Terms**") and made between Explorer II AS as issuer (the "**Issuer**") and the Security Agent as bond trustee for the Bondholders, the Issuer will issue bonds (with ISIN NO0010874548) in an aggregated amount of EUR 300,000,000 (the "**Bonds**"), subject to the terms and conditions of the Bond Terms.
- (B) It is a condition precedent under the Bond Terms that the Guarantor executes and delivers this irrevocable and unconditional guarantee.
- (C) The Security Agent shall hold the guarantee created hereunder for the benefit of the Secured Parties pursuant to the terms and conditions of the Bond Terms.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Guarantee:

"**Guaranteed Obligations**" means all present and future obligations and liabilities of the Issuer and the other Obligors under the Finance Documents.

"**Guarantee Period**" means the period beginning on the date of this Guarantee and ending on the date upon which all the Guaranteed Obligations have been unconditionally and irrevocably paid and discharged in full.

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

1.2 Other defined terms

Capitalised terms not otherwise defined in this Guarantee shall have the meaning given to them in the Bond Terms.

1.3 Construction

- a) Terms that are not capitalised but subject to a certain construction pursuant to Clause 1.2 (*Construction*) of the Bond Terms, shall have the same meaning in this Guarantee unless a contrary indication appears.
- b) In this Guarantee, a reference to a Clause or a Schedule is a reference to a clause of, or a schedule to, this Guarantee, except as otherwise indicated in this Guarantee.

1.4 Conflict

This Guarantee is entered into subject to the terms of the Bond Terms. In the event of a conflict between the terms of this Guarantee and the Bond Terms, then, to the extent the Secured Parties' rights hereto would not be negatively affected, the terms of the Bond Terms shall prevail.

2 GUARANTEE

2.1 Guarantee

- a) The Guarantor hereby irrevocably and unconditionally, on the terms and conditions set out herein, guarantees as independent primary obligor (No. *selvskyldnerkausjonist*) to the Security Agent (on behalf, and for the benefit, of the Secured Parties) the payment, discharge and performance of the Guaranteed Obligations.
- b) The Guarantor hereby irrevocably and unconditionally undertakes with the Security Agent (on behalf, and for the benefit, of the Secured Parties) that it shall, on the Security Agent's demand and until the expiry of the Guarantee Period, pay any amount owed by the Issuer in connection with the Guaranteed Obligations as if the Guarantor was the principal obligor.
- c) The Guarantor hereby irrevocably and unconditionally indemnifies the Security Agent (on behalf, and for the benefit, of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Guaranteed Obligations is or becomes unenforceable, invalid or illegal.

2.2 Maximum liability

The liability of the Guarantor shall be limited to EUR 300,000,000 plus any unpaid amount of interest, fees, liability, premium and expenses in respect of the Guaranteed Obligations.

3 PAYMENT

3.1 Payment on demand

In the case of failure by the Issuer punctually to pay any sum due under the Finance Documents (whether by acceleration or at stated maturity), the Guarantor hereby agrees to make such payment within five (5) Business Days of written notice of demand from the Security Agent, substantially in the form attached as Schedule 1 hereto. For the avoidance of doubt, this obligation shall not be construed to be a waiver of the Guarantor's right to invoke any lawful defense it may have as an independent primary obligor (No. *selvskyldner*).

3.2 Tax gross-up

- a) The Guarantor shall make all payments to be made by it without any deduction or withholding for or on account of tax from a payment under the Guarantee, unless such deduction or withholding is required by law.
- b) The Guarantor shall, if any tax is withheld in respect of any payment under the Guarantee:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Security Agent receives 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 Security Agent, deliver to the Security Agent evidence that the required tax deduction or withholding has been made.

3.3 Set-off and counterclaims

All payments to be made by the Guarantor under this Guarantee shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

4 CLAIM AGAINST THE ISSUER

The Guarantor shall not, until the Guaranteed Obligations have been duly and irrevocably fulfilled and discharged in full:

- a) demand payment from the Issuer of amounts paid under this Guarantee without the written consent of the Security Agent; or
- b) prove in the liquidation or insolvency of the Issuer without the written consent of the Security Agent in respect of any moneys paid or payable or contingently payable by the Guarantor under this Guarantee, and if such consent is given shall give the Security Agent the benefit of every such proof and all moneys to be received in respect thereof.

5 REPRESENTATIONS AND WARRANTIES

5.1 Representations

The Guarantor represents and warrants to the Security Agent that:

- a) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Guarantee and the transactions contemplated by this Guarantee; and
- b) this Guarantee does not conflict with any of its constitutional documents, any of its contracts or any applicable Norwegian law or regulation.

5.2 Time when representations are made

All the representations and warranties set out in this Clause 5 are made by the Guarantor on the date of this Guarantee.

6 UNDERTAKINGS

- a) The Guarantor undertakes not to do or cause or permit to be done anything, or omit to take any action, which will, or could be reasonably expected to adversely affect the rights of the Security Agent under this Guarantee, or cause an Event of Default to occur, or which is in any way inconsistent with or depreciates, jeopardises or otherwise prejudices the rights of the Security Agent under this Guarantee.
- b) The undertakings in this Clause 6 remain in force throughout the Guarantee Period and are given to each of the Security Agent and the Secured Parties.

7 CONTINUING GUARANTEE AND OTHER MATTERS

7.1 Continuing guarantee

The Guarantee is a continuing guarantee and shall extend to the ultimate balance of the Guaranteed Obligations and shall continue in full force and effect notwithstanding any intermediate payment or discharge in whole or in part of the Guaranteed Obligations and shall be effective until the Security Agent has confirmed in writing that the Guaranteed Obligations have been irrevocably discharged in full.

7.2 Waiver of defences

Subject only to applicable mandatory law, the obligations of the Guarantor under this Guarantee shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Guarantor from its obligations under this Guarantee or prejudice or diminish those obligations in whole or in part (unless such release or exoneration is intended), including (but not limited to):

- a) any time or waiver granted to, or composition with, the Guarantor or any other person;
- b) any release of the Guarantor or any other person under the terms of any composition or arrangement with the Guarantor or any other person;
- c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, the Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Guarantor or any other person;
- e) any amendment (however fundamental) or replacement of any Finance Document or any other document or Security;
- f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
- g) any insolvency or similar proceedings.

7.3 Other security

This Guarantee and the obligations of the Guarantor set out herein are in addition to, and independent of, any other guarantee or security which may be held by the Security Agent or any Secured Party at any time in respect of the Guaranteed Obligations. The Guarantor shall not be entitled to require the Security Agent first to proceed against or enforce any other guarantee or any security of, or claim payment from, the Issuer, any other Subsidiary or any other person.

8 FURTHER ASSURANCE

The Guarantor shall promptly do all such acts or execute all such documents (including, without limitation, assignments, transfers, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to fulfil the intention of this Guarantee.

9 ENFORCEMENT

Upon and at any time following the occurrence of an Event of Default which is continuing, this Guarantee is enforceable and the Security Agent may (at its discretion) enforce all or any part of the Guarantee in accordance with the applicable statutory procedures of enforcement.

10 APPLICATION OF PROCEEDS

Any proceeds collected or received by the Security Agent on behalf of the Secured Parties after an enforcement of the Guarantee shall be applied by the Security Agent in payment of the Guaranteed Obligations in accordance with the provisions of the Bond Terms.

11 INDEMNITY

- a) Subject to the provisions of the Bond Terms, the Secured Parties and each agent or attorney appointed by the Security Agent shall be entitled to be indemnified by the Guarantor in respect of all liabilities, costs and expenses properly incurred by them in connection with:
- (i) the execution or purported execution of any rights, powers or discretion vested in them under this Guarantee;
 - (ii) the preservation or enforcement of its rights under this Guarantee; and
 - (iii) the release of any obligation under this Guarantee.
- b) No Secured Party shall be liable for any losses or costs incurred by the Guarantor in connection with the exercise or purported exercise of any of the Secured Parties' rights, powers and discretions in good faith under this Guarantee.

12 POWER OF ATTORNEY

The Guarantor hereby irrevocably appoints, to the extent permitted by applicable law, the Security Agent as its attorney-in-fact, with full power of substitution, to, following the occurrence of an Event of Default which is continuing, do any act which the Guarantor is obliged by this Guarantee to do, but in the reasonable opinion of the Security Agent has failed to do.

13 ASSIGNMENT

- a) The Security Agent may at any time assign or transfer any of its rights and/or obligations under this Guarantee in accordance with the terms of the Finance Documents.
- b) The Guarantor may not assign or transfer any of its rights and/or obligations under this Guarantee.

14 RELEASE OF GUARANTEE

Upon expiry of the Guarantee Period, the Security Agent shall, at the request and at the cost of the Guarantor, promptly release the Guarantor from all obligations hereunder and give such instructions and directions as the Guarantor reasonably may require in order to consummate such release.

15 MISCELLANEOUS PROVISIONS

15.1 Waivers

The rights of the Security Agent under this Guarantee may be waived only in writing and specifically, subject to the provisions of the Finance Documents, on such terms as the Security Agent sees fit.

15.2 Amendments

This Guarantee may not be amended unless by an instrument in writing signed by or on behalf of the Guarantor and the Security Agent (having obtained the requisite approval in accordance with the provisions of the Finance Documents).

15.3 Delegation

- a) The Security Agent may at any time delegate to any person(s) all or any of its rights, powers and discretions under this Guarantee on such terms (including power to sub-delegate) as the Security Agent sees fit and employ agents, managers, employees, advisers and others on such terms as it sees fit for any of the purposes set out in this Guarantee.
- b) The Security Agent will not be liable or responsible to the Guarantor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate unless such loss is caused directly by the gross negligence or wilful misconduct of the Security Agent.

15.4 Notices

The terms of clause 19.3 (*Notices, contact information*) of the Bond Terms shall apply as if incorporated in full into this Guarantee (with any logical adjustments).

15.5 Severability

- a) If a provision of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:
 - (i) the legality, validity or enforceability in that jurisdiction of any other provision of this Guarantee; or

- (ii) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee.
- b) Notwithstanding paragraph a) above, the parties hereto agree that they will negotiate in good faith and will replace the invalid, void or unenforceable provision with a valid and enforceable provision which reflects as much as possible the intention of the parties as referred to in the provision thus replaced.

15.6 Counterparts

This Guarantee may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.

16 GOVERNING LAW AND JURISDICTION

- a) This Guarantee shall be governed by and construed in accordance with Norwegian law.
- b) The courts of Norway shall have exclusive jurisdiction over matters arising out of or in connection with this Guarantee. The Oslo District Court (No. *Oslo tingrett*) shall be the court of first instance. The submission to the jurisdiction of the Norwegian Courts shall not limit the right of the Security Agent or a Secured Party to take proceedings against the Guarantor in any court which may otherwise exercise jurisdiction over the Guarantor or any of its assets.

* * *

This Guarantee has been entered into on the date stated at the beginning of this Guarantee by the Guarantor listed on the execution page at the end of this Guarantee.

SCHEDULE 1: FORM OF NOTICE OF DEMAND

To: Hurtigruten Cruise AS

GUARANTEE DATED 25 FEBRUARY 2020 FOR THE OBLIGATIONS OF EXPLORER II AS – NOTICE OF DEMAND

Dear Sirs,

We make reference to the Guarantee executed by yourselves in our favour dated 25 February 2020 in connection with the senior secured EUR 300,000,000 bonds with ISIN NO0010874548, issued pursuant to the Bond Terms dated 14 February 2020.

We hereby notify you that the obligations of the Issuer as described in the above mentioned Guarantee, [*amount*] are due and unpaid. Consequently, we hereby demand from you the prompt payment of [*amount*] which shall be paid forthwith to our account no. [•].

Place/date

Yours faithfully,

Nordic Trustee AS

By: _____

Name:

Title:

SIGNATORIES

The Guarantor:
HURTIGRUTEN CRUISE AS

By: Sebastian Indesen

Name:

Title: **Attorney in fact**

The Security Agent:
NORDIC TRUSTEE AS

By:

Name:

Title:

SIGNATORIES

The Guarantor:
HURTIGRUTEN CRUISE AS

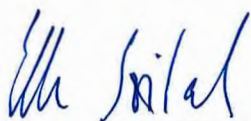
By:

Name:

Title:

The Security Agent:
NORDIC TRUSTEE AS

By:



Name:

Title: **Ellen Søliland**
Authorised signatory