



Registration of a Charge

Company name: **ODFJELL RIG V LTD**

Company number: **11165869**



X7WC11EJ

Received for Electronic Filing: **03/01/2019**

Details of Charge

Date of creation: **20/12/2018**

Charge code: **1116 5869 0001**

Persons entitled: **DNB BANK ASA AS SECURITY AGENT**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **WATSON FARLEY & WILLIAMS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11165869

Charge code: 1116 5869 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th December 2018 and created by ODFJELL RIG V LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd January 2019 .

Given at Companies House, Cardiff on 7th January 2019

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

We hereby certify this document
to be a true copy of the original
save for the material redacted
in accordance with s. 859 of
the Companies Act 2006.

Watson Farley & Williams LLP

EXECUTION VERSION

WATSON FARLEY & WILLIAMS LLP ASSIGNMENT AND SUB-PLEDGE AGREEMENT
15 Appold Street
London EC2A 2HB
United Kingdom

dated 20 December 2018

between

Odfjell Rig V Ltd.
("Assignor")

and

DNB Bank ASA
("Security Agent")

In relation to the Assignor's earnings and the Charter Company's earnings' account

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SCHEDULE 1 Form of Notice of Assignment and Sub-Pledge

SCHEDULE 2 Form of Acknowledgement

THIS ASSIGNMENT AND SUB-PLEDGE AGREEMENT (the "Assignment Agreement") is made on 20 December 2018 by and between:

- (1) **Odfjell Rig V Ltd.**, a company registered in England and Wales whose company number is 11165869 and registered address is Harbour Court, Compass Road, North Harbour, Portsmouth, Hampshire, England PO6 4ST (the "Assignor"); and
- (2) **DNB Bank ASA**, as security agent for itself and the other Finance Parties (the "Security Agent").

WHEREAS

- (A) Pursuant to a certain senior secured term loan credit facility dated 30 October 2018 (as amended and/or restated from time to time) and entered into between, among others, Odfjell Rig V Ltd. as borrower (the "Borrower"), the financial institutions listed in Schedule 1 as lenders (the "Lenders"), the Assignor and other companies as Guarantors and the Security Agent (the "Facility Agreement"), the Lenders have agreed to lend up to USD 325,000,000 to the Borrower subject to the terms and conditions set out therein;
- (B) pursuant to the Facility Agreement, any drawings thereunder are subject to each of the Guarantors (including the Assignor) providing certain Security Documents;
- (C) the Charter Company (as defined below) has pursuant to the Charter Company Earnings Assignment (as defined below) dated on or about the date hereof agreed with the Assignor to secure the obligations and liabilities under the Internal Charter (as defined below) on the terms and conditions set out in the Charter Company Earnings Assignment, and the Assignor will furthermore sub-assign (Nw: "*frem pants sette*") in favour of the Security Agent all security interest assigned by the Charter Company as security under the Internal Charter;
- (D) the Assignor has entered into this Assignment Agreement in order to provide continuing security for the payment, discharge and performance of the Secured Obligations.

THE PARTIES TO THIS AGREEMENT AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

In this Assignment Agreement, including the preamble hereto (unless the context otherwise requires), any term or expression defined in the preamble shall have the meanings ascribed to it therein.

"Account Bank" means DNB Bank ASA, and any such other bank holding accounts of the Charter Company into which all sums which from time to time may become due under the Internal Charter are paid into.

"Charter Company" means Odfjell Invest II AS, a Norwegian limited liability company incorporated in Norway whose registered address is Kokstadflaten 35, 5257 Kokstad, Norway with organisation number 820 444 442.

"Charter Company's Earnings Account" means any and all of the bank accounts of the Charter Company, including but not limited to pertaining to earnings of the Rig, currently account no. [REDACTED] (NOK) and account no. [REDACTED] (USD), all held by the Charter Company with the DNB Bank ASA.

"Charter Company Earnings Assignment" means the assignment of all earnings and all the Charter Company's Earnings Accounts of even date hereof, entered into by the Charter Company in favour of the Assignor in order to secure the obligations and liabilities of the Charter Company under the Internal Charter (as amended and/or restated from time to time).

"Charter Company Floating Charge" means the pledge agreement over the rights and interest to the Receivables of even date hereof, entered into by the Charter Company in favour of the Assignor in order to secure the obligations and liabilities of the Charter Company under the Internal Charter (as amended and/or restated from time to time).

"Collateral" means the assets, rights and benefits assigned and pledged under this Assignment Agreement, as specified in Clause 2 below.

"Earnings" has the meaning as ascribed thereto in Clause 1.1 of the Facility Agreement.

"Enforcement Act" means the Norwegian Enforcement Act of 1992 (as amended).

"Financial Agreements Act" means the Norwegian Financial Agreements Act of 1999 (as amended).

"Financial Collateral Act" means the Norwegian act on financial collateral arrangements of 2004 no. 17 (as amended).

"Internal Charter" means the Internal Charter (as defined in the Facility Agreement) pertaining to the Rig, entered into between the Assignor and the Charter Company dated 26 November 2018 (effective from commencement date of the Drilling Contract with contract ref. C01470) and as amended and/or restated from time to time.

"Receivables" means all present and future trading receivables of the Charter Company comprised by the Pledge Act Section 4-10.

"Rig" means the rig "Deepsea Nordkapp", IMO number 9701621.

"Pledge Act" means the Norwegian Pledge Act of 1980 no. 2 (as amended).

Capitalised terms and expressions not defined herein but whose meanings are defined in the Facility Agreement shall have the meanings set out therein.

1.2 Construction

In this Assignment Agreement, unless the context otherwise requires:

- (a) reference to Clauses or Appendices are to be construed as references to clauses or appendices of this Assignment Agreement unless otherwise stated;

- (b) references to (or to any specified provision of) this Assignment Agreement or any other document shall be construed as references to this Assignment Agreement, that provision or that document as from time to time amended; and
- (c) words importing the plural shall include the singular and vice versa.

1.3 Precedence

If there is a conflict between this Assignment Agreement and the Facility Agreement, the provisions of the Facility Agreement shall take priority over the provisions set out in this Assignment Agreement provided however that this will not in any way be interpreted or applied to prejudice the legality, validity or enforceability of this Assignment Agreement.

2. GRANT OF SECURITY AND PRIORITY

- (a) To secure the payment and the discharge of the Secured Obligations, the Assignor hereby assigns by way of security to the Security Agent (on behalf of the Finance Parties) on first priority its rights, title and interest in and to (i) the Earnings under the Internal Charter (the "**Assignment of Internal Charter**"), (ii) as a sub-pledge (Nw: "*frem pantsettelse*"), all security rights and benefits assigned and/or pledged in favour of the Assignor under the Charter Company Floating Charge (the "**Sub-pledge of Charter Company Floating Charge**") and (iii) as a sub-pledge (Nw: "*frem pantsettelse*"), all security rights and benefits assigned and/or pledged in favour of the Assignor under the Charter Company Earnings Assignment (the "**Sub-pledge of Charter Company Earnings Assignment**").
- (b) The liability of the Assignor hereunder shall be limited to USD 422,500,000 plus any unpaid interest and costs under the Finance Documents.

3. SET-OFF

- (a) Following the occurrence of an Event of Default which is continuing and a notice pursuant to clause 24.18 (*Acceleration*) of the Facility Agreement, the Security Agent (acting on its own behalf and on behalf of the Finance Parties) and each of the Finance Parties shall have a separate right of set-off in respect of any credit balance, in any currency, on any account the Charter Company might have with the Security Agent and each of the Finance Parties individually (branches included) against any sum due to the Security Agent and the Finance Parties.
- (b) The Assignor specifically waives all rights under the provisions of the Financial Agreements Act not being mandatory provisions including section 29, and that section 29 shall, as far as permitted by law, not apply to this Assignment Agreement.

4. PERFECTION

4.1 Perfection

- (a) The Assignor undertakes promptly to give notice of the Assignment of Internal Charter and the Sub-pledge of Charter Company Earnings Assignment to the Charter Company substantially in the form set out in Schedule 1 hereto (*Form of Notice of Assignment and Sub-Pledge*) and procure that any recipient of such notice

acknowledges receipt of the notice as set out therein substantially in the form set out in Schedule 2 (*Form of Acknowledgement*).

- (b) The Assignor further undertakes to, promptly, procure that the Sub-pledge of Charter Company Floating Charge is noted on the charge form for the Charter Company Floating Charge and that the Sub-pledge of Charter Company Floating Charge is registered with the Norwegian Register of Mortgaged Movable Property (Nw.: "*Løsøreregisteret*").
- (c) The Security Agent, by countersigning this Assignment Agreement in its capacity as Account Bank, hereby acknowledges receipt of notice of the Sub-pledge of Charter Company Earnings Assignment created pursuant to this Assignment Agreement.

4.2 Additional Instruments and Documents

The Assignor agrees that at any time and from time to time upon the written request of the Security Agent, it will promptly and duly execute and deliver to the Security Agent any and all such further instruments and documents as the Security Agent (on behalf of the Finance Parties) may reasonably deem necessary or desirable to register this Assignment Agreement in any applicable registry, and to maintain and/or perfect the security created by this Assignment Agreement and the rights and powers herein granted.

5. EVENT OF DEFAULT AND ENFORCEMENT

- (a) Upon the occurrence of an Event of Default which is continuing and subject to written notice pursuant to clause 24.18 (*Acceleration*) of the Facility Agreement, the Security Agent (on behalf of the Finance Parties) shall be entitled, in its absolute discretion, to enforce all or any part of the security as it sees fit, including to:
 - (i) exercise all ownership rights, including all creditor rights, in connection with the Collateral, and to instruct the relevant debtor or Account Bank to make payments directly to the Security Agent;
 - (ii) to sell, assign or convert into money all or any part of Collateral in such a manner and upon such terms (by public or private sale) and for such consideration (whether in cash, securities or other assets) as is then agreed; and
 - (iii) take any other action in relation to the Security Documents as permitted according to the Facility Agreement, to the extent permitted by the Enforcement Act, the Financial Collateral Act, the Pledge Act or other applicable law.
- (b) All costs and expenses (including legal fees, any stamp, documentary, filing and other duties and taxes (if any)) incurred by the Security Agent in connection with the enforcement of the security created by this Assignment Agreement and any other reasonable costs and expenses (including legal fees, any stamp, documentary, filing and other duties and taxes (if any)) incurred by the Security Agent in connection with this Assignment Agreement shall be borne by the Assignor and the Assignor shall indemnify and hold the Security Agent harmless in respect of such costs and expenses. All costs and expenses shall be included in the Secured Obligations. The

Assignor shall upon demand within three Business Days pay all such costs and expenses to the Security Agent.

- (c) The proceeds of each collection, sale or other disposition under this section shall be applied towards the Secured Obligations in accordance with the terms and conditions set out in Clause 32.6 (*Application following an Event of Default*) of the Facility Agreement.

6. ASSIGNMENT

The Security Agent may assign or transfer its rights hereunder to any person to whom the rights and obligations of the Security Agent and the Lenders under the Facility Agreement are wholly or partially assigned in accordance with the Facility Agreement.

7. NO FURTHER ASSIGNMENT OR PLEDGE

The Assignor shall not, unless prior written consent has been obtained from the Security Agent, be entitled to further assign or pledge the Collateral.

8. ADDITIONAL AND CONTINUING SECURITY

- (a) The security contemplated by this Assignment Agreement shall be in addition to any other security granted in accordance with the Facility Agreement, and shall be a continuing security in full force and effect as long as any obligations are outstanding under the Facility Agreement.
- (b) Clause 17 (*Guarantee and Indemnity*) of the Facility Agreement will apply to this Assignment Agreement as if set out in full herein (references to the Guarantor shall be referred to as references to the Assignor in its capacity as Guarantor). The Assignor confirms its knowledge of the terms of the Facility Agreement, including the Guarantors as well as the Security Documents which will be provided as collateral thereunder, and has received copies of such document.

9. NOTICES

Any notice, demand or other communication to be made or delivered by any party pursuant to this Assignment Agreement shall be made or delivered as set out in Clause 34 (*Notices*) of the Facility Agreement.

10. PROCESS AGENT

Clause 36.6 (*Process Agent*) of the Facility Agreement shall apply to this Assignment Agreement as if set out in full herein and as if references therein to the "Obligors" were references to the "Assignor".

11. THE NORWEGIAN FINANCE AGREEMENT ACT AND WAIVER

- (a) To the extent applicable, section 62 to and including section 74 of the Finance Agreement Act shall not apply to this Assignment Agreement.
- (b) The obligations of the Borrower pursuant to the Facility Agreement will be secured to the extent set out in the Facility Agreement. Further, the Assignment Agreement is security for obligations incurred prior to the date hereof, and such obligations

have not been defaulted. This information is included for information purposes only to meet the requirements of Section 61 of the Finance Agreement Act.

- (c) The Assignor hereby irrevocably waives:
- (i) any requirement that the Security Agent, following the occurrence of an Event of Default which is continuing and notice from the Security Agent pursuant to Clause 24.18 (*Acceleration*) of the Facility Agreement, first make demand upon or seek to enforce remedies against the Borrower or any other Obligor in respect of the amounts outstanding under the Finance Documents before demanding payment or seeking to enforce the Collateral;
 - (ii) any and all defences based on underlying relationships, agreements and transactions whatsoever including (without limitation) right to limit the liability under this Assignment Agreement resulting from any failure to give notice of any kind whatsoever;
 - (iii) any right to exercise any rights of subrogation into the rights of the Security Agent under the Finance Documents or any security issued (including the Security Interest) or made pursuant to the Finance Documents until and unless the Security Agent shall have received all amounts due or to become due to it or any other Finance Party under the Finance Documents;
 - (iv) all the Assignor's rights to claim reimbursement from the Borrower for payments made hereunder, until and unless the Security Agent shall have received all amounts due or to become due to it or any other Finance Party under the Finance Documents, and the obligations of the Security Agent or any other Finance Party to make further amounts available under the Finance Documents have been irrevocably terminated; and
 - (v) any requirement that additional security be provided or maintained.
- (d) The assignor confirms that it is a party to the Facility Agreement and is fully aware of the Security granted or to be granted by the various Security Documents referred to therein.
- (e) The Security Agent shall be entitled to amend, supplement, release or waive any security provided for the Secured Obligations or any third party relationship including (but not limited to) any rescission, waiver, amendment or modification of any term or provision thereof without the Assignor's consent.
- (f) Further, in particular but not limited to the following, the Assignor hereby agrees and accepts:
- (i) that the obligations of the Assignor hereunder shall be unconditional irrespective of the genuineness, validity, regularity or enforceability of the Finance Documents and any defence made by the Borrower or any other Obligor thereunder including other documents pursuant thereto or any other consideration which might constitute a discharge of the Collateral;

- (ii) that the granting of time or any other indulgence to the Assignor and/or the Borrower and/or any other Obligor accorded by the Security Agent hereunder and/or under any of the Finance Documents shall not discharge the Assignor's liabilities under this Assignment Agreement;
- (iii) that the Assignor's obligations under this Assignment Agreement shall not be affected in any way whatsoever by the existence of any other guarantee, indemnity, suretyship or similar instrument or by any collateral or security interest provided by a third party for the Secured Obligations;
- (iv) that if any payment by the Borrower or any other Obligor or any discharge given by the Security Agent (whether in respect of the Secured Obligations or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event; (i) the Security Interest shall continue as if the payment, discharge, avoidance or reduction had not occurred, and (ii) the Security Agent shall be entitled to recover the value or amount of that security or payment from the Borrower or any other Obligor, as if the payment, discharge, avoidance or reduction had not occurred; and
- (v) that the Secured Obligations and any derived liability whatsoever of the Borrower and the other Obligors towards the Security Agent in connection therewith may be secured in any way deemed necessary, (excluding this Assignment Agreement), in the Security Agent's sole discretion, it being understood that the provisions of this sub-paragraph (v) shall not be construed as an obligation for the Assignor to grant additional security under the Facility Agreement other than those set out in Clause 18 (*Security*) of the Facility Agreement (as relevant to the Assignor).

12. GOVERNING LAW - JURISDICTION

12.1 Governing law

This Assignment Agreement shall be governed by Norwegian law.

12.2 Jurisdiction

- (a) The courts of Oslo, Norway, have exclusive jurisdiction to settle any disputes arising out of or in connection with the Finance Documents including a dispute regarding the existence, validity or termination of this Agreement, and each of the Obligors accordingly submit to the non-exclusive jurisdiction of the Oslo District Court (*Oslo tingrett*).
- (b) Nothing in this Clause 12.2 shall limit the right of the Finance Parties to commence proceedings against an Obligor in any other court of competent jurisdiction. To the extent permitted by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

SIGNATORIES

As Assignor:

By: 

Name: Frode Skage Syslak

Title: Authorised Signatory

Company: Odfjell Rig V Ltd.

As Security Agent:

By: 

Name: Simon Gunnheim

Title: Attorney-in-fact

Company: DNB Bank ASA

SCHEDULE 1
FORM OF NOTICE OF ASSIGNMENT AND SUB-PLEDGE

(Assignment of Earnings and Sub-Pledges)

To: Odfjell Invest II AS

RE: Deepsea Nordkapp (the "Rig")

We refer to the internal charter agreement dated 26 November 2018 in respect of the Rig (the **"Internal Charter"**) made between you and Odfjell Rig V Ltd., whereby we agreed to let and you agreed to take on bareboat charter, the Rig for the period and upon the terms and conditions therein mentioned. Reference is furthermore made to the charter company earnings assignments agreement (the **"Charter Company Earnings Assignments"**) of even date hereof and the pledge agreement over the rights and interest to the Receivables of even date hereof (the **"Charter Company Floating Charge"**), both granted by you in favour of ourselves in order to provide security for your obligations and liabilities under the Internal Charter;

We hereby give you notice (the **"Notice of Assignment"**) that:

1. by an assignment agreement dated ____ December 2018 (the **"Assignment"**) made between us and DNB Bank ASA acting as security agent on behalf of the Finance Parties (the **"Security Agent"**), related to a USD 325,000,000 senior secured term loan credit facility agreement dated 30 November 2018 (as amended and/or restated from time to time) (the **"Facility Agreement"**), entered into between, among others, Odfjell Rig V Ltd. as borrower, the Security Agent and the other Finance Parties, we have assigned and have agreed to assign (by way of security) to and in favour of the Security Agent all our rights and interest, present and future, to all payments to be made to us under the Internal Charter, including payments in respect of any breach by you thereunder;
2. under the Assignment we have furthermore sub-pledged (Nw. *frem pantsatt*) (by way of security) all our rights and benefits granted by you to us under the Charter Company Earnings Assignments and the Charter Company Floating Charge in favour of the Security Agent (on behalf of the Finance Parties);
3. you are hereby irrevocably authorised to continue to pay to us, until the Security Agent has provided you with a written notice that an Event of Default has occurred and is continuing under the Facility Agreement, all amounts due and payable under the Internal Charter and the Charter Company Earnings Assignments and the Charter Company Floating Charge, and subsequent to such written notice to pay any and all amounts due and payable under the Internal Charter and the Charter Company Earnings Assignments and the Charter Company Floating Charge as instructed by the Security Agent; and
4. the authority and instructions herein contained cannot be revoked or varied by us without the written consent of the Security Agent. The provisions of this Notice of Assignment shall be governed by Norwegian law.

[signature page to follow]

Place and date: _____

By: _____

Name:

Title:

Company: Odfjell Rig V Ltd.

SCHEDULE 2
FORM OF ACKNOWLEDGEMENT

(Assignment of Earnings and Sub-Pledges)

To: DNB Bank ASA (as Security Agent)

RE: Deepsea Nordkapp (the "Rig")

We acknowledge receipt of the above Notice of Assignment from Odfjell Rig V Ltd. Capitalised terms used herein shall have the same meaning as defined therein.

1. We agree to the Assignment and undertake to be bound by the terms set out in the Notice of Assignment. We confirm that the Assignment ranks with first priority and that we have duly noted the sub-pledge of the Charter Company Earnings Assignments and the Charter Company Floating Charge.
2. We further confirm our understanding that all written statements containing instructions or demanding actions or payments under the Internal Charter may, until further written notice to the contrary is received from the Agent, be made by us to Odfjell Rig V Ltd. and after such written notice has been received from the Agent, any payment shall be made pursuant to the instructions of the Agent.

This acknowledgement and confirmation shall be governed by Norwegian law.

Place and date: _____

By: _____

Name:

Title:

Company: Odfjell Invest II AS