



**NORSK TILLITSMANN ASA**  
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**To the bondholders in:**

**ISIN: NO 001 034042.5 - FRN DP Producer Callable Bond Issue 2006/2011**  
**ISIN NO 001 037589.2 FRN DP Producer Callable Bond Issue 2007/2009**  
**ISIN: NO 001 0417066 - 9 % FPS Ocean AS Subordinated Convertible Bond Issue 2008/2011**

Oslo, 18 December 2008

## **RESTRUCTURING – SUMMONS TO BONDHOLDERS’ MEETINGS**

### **Proposal to amend Loan Agreements – Notice from Bondholders’ Meeting**

On 18 December 2008 a Bondholders’ meeting was held pursuant to summons of 8 December 2008 regarding proposal to amend the Loan Agreements for the above mentioned loans (the “Loans”).

There were sufficient Bondholders present at the meeting to form a quorum for all Loans. The proposed resolution obtained the following votes;

- ISIN NO 001 034042.5 received 100 % of the votes in favour of the proposal
- ISIN NO 001 037589.2 received 95.18 % of the votes in favour of the proposal
- ISIN NO 001 041706.6 received 100 % of the votes in favour of the proposal

The proposal was adopted according to the voting requirements of the Loan Agreements. The Loan Agreements will therefore be changed as follows:

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**A: 2<sup>nd</sup> Priority Bond Loan - ISIN NO 001 034042.5**

***The Bondholders' meeting resolved the following:***

- (i) *The Bondholders consent to write off USD 50,000,000 of the Loan through a split of each Bond to 100,000 new Bonds with a face value of USD 1 and thereafter cancellation of a number of bonds equal to 66.67% of total bonds. Accrued interest due on December 5, 2008 will be paid on 15 February 2009 (cf. item (iii) below) together with accrued interest on the cancelled Bonds up to the date of the extraordinary general meeting in FPS Ocean AS approving the share increase enabling the USD 70 million private placement. The Bondholders further consent to continue their holding in one of the options set out in (a), (b) or (c) below;*
- (a) *The Bondholders consent to keep their non-cancelled Bonds on terms and conditions of the existing Loan Agreement. Accrued interest on the non-cancelled Bonds will be paid on the interest payment date falling due on 5 March 2009. The interest rate for the Bonds will continue to be LIBOR + 6.0%. The security for the Bonds will be shared on pari passue basis with the new convertible bond set out below.*
- (b) *The Bondholders consent to convert their non-cancelled Bonds into shares of FPS Ocean AS at a conversion price of NOK 1 per share converted to USD based on the Norwegian Bank's USD/NOK fixing rate as of the date prior to the date of the extraordinary general meeting in FPS Ocean AS approving the share increase enabling the USD 70 million private placement. Fraction of shares will not be issued. Accrued interest on the non-cancelled Bonds shall be written off and no cash or shares will be received by the Bondholders for the interest amount.*
- (c) *The Bondholders consent to convert their non-cancelled Bonds into new convertible Bonds at a conversion rate of 1/1. The convertible bonds will be convertible into shares in FPS Ocean AS at a conversion price of USD 0.191 per share. Accrued interest on the non-cancelled Bonds shall be written off, however the new convertible bond will carry interest from 5 December 2008. The interest rate for the new convertible bonds will be 5.0% payable semi-annually. Terms and conditions for the new convertible bonds will be in accordance with standard Norwegian terms and conditions for similar convertible bond issues. The new convertible bonds will be pari passu with the 2<sup>nd</sup> priority Bond Loan on both status and security, and will otherwise be based on the same structure.*



- (ii) *The Bondholders consent to increase the carve-out of the first priority security from USD 50 million to USD 75 million in order to allow for an increase of the first priority bank loan provided by DVB Group Merchant Bank (Asia) Ltd.*
- (iii) *The Bondholders consent to postpone any and all interest payments and finance expenses due on or after November 28, 2008 until and including February 14, 2009 until February 15, 2009.*
- (iv) *The resolutions in item nos. (i) and (ii) above shall be conditional upon the following subjects being lifted within 15 February 2009:*
  - a. *approval of the proposed changes by the Bondholders' meetings in all three Loans described herein;*
  - b. *a minimum of USD 70,000,000 being committed in the Private Placement at an issue price of NOK 1 per share;*
  - c. *the required corporate resolutions made by the extraordinary general meeting of FPS Ocean AS to enable FPS Ocean AS to implement the financial restructuring;*
  - d. *no new information is disclosed resulting in a significant adverse change in the premises on which this resolution is based; and*
  - e. *commitment from DvB Group Merchant Bank (Asia) Ltd. for a MUSD 75 term loan facility and loan agreement signed.*
- (v) *The Bondholders irrevocably grant the Loan Trustee a power of attorney, on their behalf, upon satisfaction of the conditions precedent to implement the resolution above, i.a. (i) to convert the Converting Bondholders' Bonds to shares at the terms and conditions set out above; (ii) to make any amendments to the Loan Agreement necessary to implement the resolutions in item no. (i) subparagraph (a) and item no. (ii) above; (iii) to negotiate, finalize and enter into a Loan Agreement on standard Norwegian terms and conditions for similar convertible bond issues for the implementation of the resolutions in item no. (i) subparagraph (c) and item no. (ii) above; and may on behalf of the Bondholders enter into any other agreement necessary to accomplish the above resolutions, including but not limited to enter into an amendment agreement to the Intercreditor Agreement with DVB Group Merchant Bank (Asia) Ltd. NTM is also granted the authority, on behalf of the Bondholders, to approve any minor adjustment to the resolution needed to facilitate the implementation of the financial restructuring.*
- (vi) *Bondholders who wish to choose option (b) or (c) above must contact your broker contact with Pareto Securities AS (or Atle Sigmundstad + 47 22 87 87 75/22 87 87 00) within 16:00 (4 pm) (Oslo time) 22 December 2008, otherwise option (a) will be the selected solution.*



**B: Unsecured Bond Loan - ISIN NO 001 037589.2:**

***The Bondholders' meeting resolved the following:***

- (i) *The Bondholders irrevocably consent to write off NOK 172,000,000 of the Loan and convert the remaining principal amount of the Unsecured Bond Loan into shares of FPS Ocean AS at a conversion price of NOK 1 per share, giving a total of 38 million new shares in FPS Ocean AS. Fraction of shares will not be issued. Accrued interest on the Unsecured Bond Loan shall be written off (including interest payment falling due on 24 January 2009) and no cash or shares will be received by the Converting Bondholders for the interest amount.*
- (ii) *The debt reduction and conversion shall be conditional upon the following subjects being lifted within 15 February 2009:*
  - a. *approval of the proposed changes by the Bondholders' meetings in all three Loans described herein;*
  - b. *a minimum of USD 70,000,000 being committed in the Private Placement at an issue price of NOK 1 per share;*
  - c. *the required corporate resolutions made by the extraordinary general meeting of FPS Ocean AS to enable FPS Ocean AS to implement the financial restructuring;*
  - d. *no new information is disclosed resulting in a significant adverse change in the premises on which this resolution is based; and*
  - e. *commitment from DvB Group Merchant Bank (Asia) Ltd. for a MUSD 75 term loan facility and loan agreement signed.*
- (iii) *The Bondholders irrevocably grant the Loan Trustee a power of attorney, on their behalf, upon satisfaction of the conditions precedent to convert 100% of the Bonds in the Loan to shares in FPS Ocean AS by subscription of shares at the terms and conditions set out above. The Loan Trustee is granted power of attorney to make any amendments of the Loan Agreement and may on behalf of the Bondholders enter into any agreement necessary to accomplish the restructuring. NTM is also granted the authority, on behalf of the Bondholders, to approve any minor adjustment to the resolution needed to facilitate the implementation of the financial restructuring.*



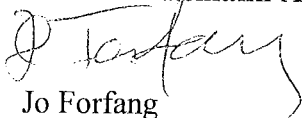
**C: Convertible Bond Loan - ISIN NO 001 0417066:**

***The Bondholders' meeting resolved the following:***

- (i) *The Bondholders irrevocably consent to write off NOK 152,000,000 of the Loan and convert the remaining principal amount of the Convertible Bond Loan into shares of FPS Ocean AS at a conversion price of NOK 1 per share, giving a total of 23 million new shares in FPS Ocean AS. Fraction of shares will not be issued. Accrued interest on the Convertible Bond Loan shall be written off and no cash or shares will be received by the Converting Bondholders for the interest amount.*
- (ii) *The debt reduction and conversion shall be conditional upon the following subjects being lifted within 15 February 2009:*
- a. *approval of the proposed changes by the Bondholders' meetings in all three Loans described herein;*
  - b. *a minimum of USD 70,000,000 being committed in the Private Placement at an issue price of NOK 1 per share;*
  - c. *the required corporate resolutions made by the extraordinary general meeting of FPS Ocean AS to enable FPS Ocean AS to implement the financial restructuring;*
  - d. *no new information is disclosed resulting in a significant adverse change in the premises on which this resolution is based; and*
  - e. *commitment from DvB Group Merchant Bank (Asia) Ltd. for a MUSD 75 term loan facility and loan agreement signed.*
- (iii) *The Bondholders irrevocably grant the Loan Trustee a power of attorney, on their behalf, upon satisfaction of the conditions precedent to convert 100% of the Bonds in the Loan to shares in FPS Ocean AS by subscription of shares at the terms and conditions set out above. The Loan Trustee is granted power of attorney to make any amendments of the Loan Agreement and may on behalf of the Bondholders enter into any agreement necessary to accomplish the restructuring. NTM is also granted the authority, on behalf of the Bondholders, to approve any minor adjustment to the resolution needed to facilitate the implementation of the financial restructuring.*

Yours sincerely

**Norsk Tillitsmann ASA**



Jo Forfang