

2020 Bulkera Ltd.

Application Agreement (Private Placement, 22 May 2019)

Clarksons Platou Securities AS
Danske Bank, Norwegian Branch
DNB Markets
Fearnley Securities AS
Nordea Bank Abp, filial i Norge
Pareto Securities AS
Skandinaviska Enskilda Banken AB (publ)

General information:

2020 Bulkera Ltd. (the “Company”) is a company limited by shares. The Company is incorporated under the laws of Bermuda with registration number 52905. The Company's authorised share capital is USD 75,000,000 (represented by 75,000,000 ordinary shares with par value of USD 1.00 each). The Company's issued shares (evidenced by depository receipt therefor) are tradable on the N-OTC (as defined below) with ticker “2020” and has ISIN “BMG 9156K1018”.

The Company is contemplating a private placement of up to 7,800,000 new ordinary shares, each with a par value of USD 1.00 (the “Offer Shares”), at a subscription price of USD 9.00 per share (the “Offer Price”) raising gross proceeds of up to USD 70,200,000 (the “Offering”). In addition, the Company has granted the Managers (as defined below) an option, for a period of 30 days, to subscribe to up to 1,170,000 additional new shares (equal to 15% of the number of Offer Shares) on the same terms and conditions as in the Offering in order to meet investor demand (the “Greenshoe”).

Magni Partners (Bermuda) Ltd., Halvorsens Fabrik AS, Titan Credit Master Fund and MH Capital AS have pre-subscribed and will be allocated USD 8,000,000 worth of new shares in the Base Placement (being 888,888 shares). The Company has received pre-subscriptions for a further 3,511,111 new shares from other leading investors. The major shareholders have guaranteed for the subscription of the remaining 3,400,001 shares in the Base Placement subject to no material adverse change having occurred in the market.

The Company has appointed Clarksons Platou Securities AS, Danske Bank, Norwegian Branch, DNB Markets, Fearnley Securities AS, Nordea Bank Abp, filial i Norge, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ) as Joint Lead Managers for the Offering (the “Managers”).

The net proceeds from the Offering will be used (i) to fully finance eight Newcastlemax newbuildings currently under construction for the account of the Company's subsidiaries at New Times Shipyard in China and (ii) for working capital purposes.

The Offering is directed towards investors on the basis of applicable securities laws allowing offerings of this nature to be undertaken without the filing of any prospectus, registration statement, application or other similar documentation, other requirements and/or regulatory approval; and, further, (i) outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended, (the “US Securities Act”) and (ii) in the United States to “qualified institutional buyers” (“QIBs”) as defined in Rule 144A under the US Securities Act as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934 and will rely on an exemption from the prospectus requirement in Bermuda. All applicants are referred to Exhibit I hereto for further information on, among other things, the selling and transfer restrictions applicable to the Offering, and Exhibit II for certain applicants subject to the provisions set out under “United States:” in Exhibit I.

The minimum subscription amount in the Offering is the USD equivalent of EUR 100,000. The Company may, at its sole discretion, allocate an amount below the USD equivalent of EUR 100,000 to the extent an exemption from applicable prospectus requirements (including the Norwegian Securities Trading Act and ancillary regulations) is available.

Applications for Offer Shares will be governed by the terms and conditions set out in this application agreement (including its Exhibits) (the “Application Agreement”) and a term sheet (the “Term Sheet”), and investor presentation (the “Investor Presentation”), both of even date herewith (collectively referred to as the “Offering Material”). The applicant (the “Applicant”) hereby acknowledges having received and accepted that the application and subscription for Offer Shares are subject to the terms set out therein. In case of any discrepancy between the different components of the Offering Material, the terms of the Application Agreement shall prevail.

Conditions for Completion:

Closing of the Offering is conditional upon (i) necessary corporate resolutions approving the same being passed by the Company's board of directors; (ii) permission from the Bermuda Monetary Authority for the issuance of the Offer Shares; and (iii) to the extent required, the receipt of a Ministerial direction that the prospectus provisions of the Companies Act 1981 of Bermuda will not apply to the Offering.

The Company and the Managers reserve the right, at any time and for any reason, to cancel and/or modify the terms of the Offering. Neither the Managers nor the Company will be liable for any losses incurred by applicants if the Offering is cancelled, irrespective of the reason for such cancellation.

Application procedure:

The application period is currently planned to run from and including 09:00 hours CET on 22 May 2019 to and including 18:00 hours CET on 23 May 2019 (the "**Application Period**"). The Company may, at its own discretion, extend or shorten the Application Period at any time and for any reason. If the Application Period is shortened or extended, the other dates referred to herein shall be amended accordingly. By executing this Application Agreement, or by placing an application by taped phone as further described below, the undersigned Applicant irrevocably confirms the Applicant's request to subscribe for the number of Offer Shares specified by such Applicant at the Subscription Price and otherwise on the terms and conditions included in the Offering Material. The Applicant irrevocably authorizes and instructs the Managers or their appointed representatives, each acting alone, to subscribe for the number of Offer Shares allocated to the Applicant in the Offering (the "**Allocated Shares**") on behalf of the Applicant, and to take all such other actions deemed appropriate by the Managers, on behalf of the Applicant, to effectuate the transactions contemplated by this Application Agreement.

This Application Agreement, duly signed, valid and binding on the part of the Applicant, must be in the possession of the Managers by the end of the Application Period. The Applicant bears the risk of any postal delays, unavailable internet lines or servers, unavailable fax lines and any other logistical or technical problems that may result in applications not being received in time or at all. The Applicant is further responsible for the correctness of the information inserted on the Application Agreement. In addition, the Managers may, in their sole discretion, accept applications placed by taped phone within the Application Period provided that the Applicant confirms that it accepts the terms of this Application Agreement. Any application made by taped phone will be binding for the Applicant in the same manner as an application made in writing. Without limiting the binding nature of applications made by taped phone, the Managers may require that an application placed by taped phone is subsequently confirmed by the execution of an Application Agreement, and may, if the Applicant fails to satisfy such requirement, in its sole discretion, disregard the application, without any liability towards the Applicant. Any application placed by taped phone shall be deemed made on the terms and subject to the conditions set out in the Application Agreement. Any application received by the Managers (whether in writing or by taped phone) becomes binding at the end of the Application Period and may not be withdrawn or amended after such time.

Settlement and delivery of Allocated Shares:

Subject to the conditions for completion of the Offering as set out above, payment for the Allocated Shares is expected to take place versus delivery of the Allocated Shares on or about 28 May 2019 (the "**Settlement Date**"), subject to any shortening or extensions of the Application Period. Any further settlement details will be stated in the notification of allocation sent to the Applicant by the Manager (the "**Notification**"). The Applicant shall pay the subscription amount (being the number of Allocated Shares multiplied by the Offer Price) in accordance with the procedures set out herein and in the Notification.

The Applicant agrees and accepts that the Allocated Shares, on issue, will be registered in the name of the VPS Registrar (as defined below) in the Company's register of members and that the VPS Registrar, on this basis, will record the beneficial ownership thereto by the Applicant (as a depository receipt) in the Sub-Register of Shareholders (as defined below).

The Managers assume no responsibility for the delivery and payment obligations of the Company and the Applicant, respectively.

VPS-registration:

The Company has established a sub-register of shareholders in electronic form in the VPS (the "**Sub-Register of Shareholders**") and engaged DNB Bank ASA (the "**VPS Registrar**") to keep this. The VPS Registrar is, as a basis for this, recorded as the nominal owner of all of the Company's shares in issue in the Company's register of members, kept at the Company's registered office in Bermuda. The beneficial ownership to each share is recorded in the Sub-Register of Shareholders. Immediately following issue of the Allocated Shares to the Applicant, such Allocated Shares will be registered in the name of the VPS Registrar, in the register of members. The VPS Registrar will, at the same time, record the Applicant's beneficial interest in the Allocated Shares in the Sub-Register of Shareholders on the basis of which the beneficial ownership interest therein will be tradable on the Norwegian over the counter market (the "**N-OTC**"). The shareholders must exercise their shareholder rights through the VPS Registrar by authorizing the VPS Registrar to vote their shares in the Company's shareholder meetings in accordance with instruction given by them. Therefore, it is not the Company's shares in registered form issued in accordance with the Bermuda Companies Act, but the depository receipts of such shares registered in the Sub-Register of Shareholders that are listed on the N-OTC. The Applicant acknowledges and accepts that its beneficial interest in the Allocated Shares recorded in the VPS will constitute depository receipts, cf. the Norwegian Securities Trading Act section 2-4 second paragraph, and that it, accordingly, is such beneficial interest in the form of depository receipts that will be tradable on the N-OTC.

VPS account:

Any allocation of Offer Shares is conditional upon the Applicant having a VPS account. The VPS account number must be stated in the Application Agreement. VPS accounts can be established with authorized VPS registrars, who can be Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the European Economic Area (the "**EEA**"). Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Norwegian Anti-Money Laundering Legislation. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorized by the Financial Supervisory Authority of Norway.

Please note that Applicants must themselves notify changes in registered information on the VPS account directly to the Applicant's account manager, and that the Applicant is responsible for any consequences if correct information is not registered on the VPS account. Notices produced by the VPS (including inter alia notices of allotment) will be sent to the address registered on the VPS account.

Information / risks / representations and warranties:

By making an Application, the Applicant:

- (a) Represents and warrants that it has sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of the subscription of Offer Shares, and the Applicant is able to bear the economic risk, and to withstand a complete loss of an investment in the Offer Shares;
- (b) Confirms that it has received the Offering Material and that it has had access to such financial and other information concerning the Company and the Offer Shares as the Applicant has deemed necessary or desirable in connection with the application for and subscription of the Offer Shares, and has made such investigation with respect thereto as it deems necessary;
- (c) Represents and warrants that it has made its own assessment of the Company, the Offer Shares and the terms of the Offering based on the Offering Material and such other information as is publicly available and, to the extent deemed necessary by the Applicant having consulted with its own independent advisors, the Applicant has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relating to its investment in the Offer Shares;
- (d) Confirms its awareness of the fact that neither a prospectus nor any similar disclosure document has been prepared in respect of the Offering;
- (e) Confirms that it has not relied on any representations, warranties, opinions, projections, financial or other information or analysis, if any, supplied to it by any representative of the Company or the Managers or any of their respective affiliates;
- (f) Acknowledges and accepts that the Managers expressly disclaim all and any liability in connection with the Applicant's participation in the Offering and the Applicant understands and expressly agrees that it is applying for Offer Shares on this basis;
- (g) Acknowledges and accepts that no formal due diligence review or other verification exercises have been performed by or on behalf of the Managers or the Company in connection with the Offering. In particular, the Application accepts that no technical verifications, financial due diligence or evaluation of the Company's forecasts or budgets have been carried out by or on behalf of the Managers. The Applicant further acknowledges and accepts the risks associated with the fact that no such due diligence review has been carried out;
- (h) Acknowledges and accepts that all commitments, acceptances, confirmations, representations, warranties and undertakings given by the Applicant pursuant to this Application Agreement are given for the benefit of the Company and the Managers and may be enforced against the Applicant by each of the Company and the Managers.

Confidentiality:

The offer to apply for and subscribe for Offer Shares is personal and cannot be forwarded or made known to any third party. The Applicant hereby undertakes to keep the contents of the Offering Material confidential until the completion of the Offering has been resolved and publicly announced by the Company, with the exception of disclosure to applicable authorities as required by law.

Specification of the Application is to be made on the next page. For additional information including selling and transfer restrictions, see Exhibit I "Additional Terms and Conditions for Application". U.S. persons and Applicants subscribing for Offer Shares from the United States, are required to give, and execute, in addition to the other parts of this Application Agreement, the additional representations and warranties set out in Exhibit II "Additional Representations and Warranties Required for US Persons or for Applicants Acquiring Offer Shares in the United States".

SPECIFICATION OF APPLICATION

Please specify the number of Offer Shares applied for or the total USD amount of the subscription (minimum USD equivalent of EUR 100,000):

Name of Applicant:	Number of Offer shares applied for at the Offer Price (USD 9.00):	USD amount applied for at the Offer Price (USD 9.00):	For the use of the Managers:

On the terms and conditions set forth in this Application Agreement (including its Exhibits), the undersigned Applicant hereby (i) confirms the Applicant’s request to subscribe for the number of Offer Shares stated above if issued by the Company on the terms set out in the Offering Material, (ii) irrevocably authorises and instructs the Managers or their appointed representative to subscribe for the number of Offer Shares allocated to the Applicant in the Offering on behalf of the Applicant, and to take all such other actions deemed appropriate by the Managers, on behalf of the Applicant, to effectuate the subscription contemplated by this Application Agreement, including the delivery of the beneficial ownership to the Offer Shares to the Applicant’s VPS account, and (iii) confirms that it has received and read the Offering Material, (iv) is aware that no due diligence (neither legal, financial, commercial nor technical) has been carried out by the Managers or by any other parties in connection with the Offering, (v) confirms that the investment in the Offer Shares is made solely at the Applicant’s own risk, (vi) confirms that it is not subscribing for the Offer Shares, on its own account or for the account of others in contradiction to the transfer restrictions included in Exhibits I and II, (vii) confirms that it has read and understood, and accepts to be bound by, the Application Agreement (including the Exhibits) and (viii) confirms that the Applicant is aware that neither a prospectus nor any similar disclosure document has been prepared in respect of the Offering.

INFORMATION ON THE APPLICANT – ALL FIELDS MUST BE COMPLETED

First name:	
Surname/company:	
Street address:	
Post code/district/country:	
Personal ID number/organization number:	
Nationality:	
Tax Country:	
VPS account number*:	
Legal Entity Identifier(«LEI»)/National Client Identifier («NID»)**:	
E-mail address:	
Daytime telephone number:	

*To apply for Offer Shares, the Applicant must have a VPS account or a Norwegian custodian. Such an account can only be established by personal appearance with sufficient identification at a VPS book-entry agent or an authorized investment firm.

**A LEI number is a global identification code for legal entities and a NID number is a global identification code for natural persons. As a result of MiFID II/MIFIR, all legal entities and natural persons need a LEI/NID number in order to participate in financial transactions from 3 January 2018. For Norwegian citizens, the NID code is the same as the national identity number (Nw.: “personnummer”), with “NO” as a prefix.

Please note: if the Application Agreement is sent to the Managers by e-mail, the e-mail will be unsecured unless the Applicant itself takes measures to secure it. The Application Agreement may contain sensitive information, including national identification numbers, and the Managers recommend the Applicant to send the Application Agreement to the Managers in a secured e-mail. Please refer to page [5] for further information on the Managers’ processing of personal data.

<p>Application date and place Must be dated in the Application Period</p>	<p>Binding signature The Applicant must have legal capacity. When signing by authorisation, documentation in form of company certificate or power of attorney must be enclosed</p>
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EXHIBIT I

Additional Terms and Conditions of Application

Selling and transfer restrictions:

General: This Application Agreement does not constitute an offer to subscribe to or a solicitation of an offer to subscribe to the Offer Shares in any jurisdiction in which such offer or solicitation is unlawful.

United States: There will be no public offer of the Offer Shares in the United States. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under the securities law of any state or other jurisdiction of the United States and may not be reoffered, resold, pledged or otherwise transferred, directly or indirectly, except pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. An Applicant in the United States or who is a "**U.S. Person**" (within the meaning of Regulation S under the U.S. Securities Act), may not execute this Application Agreement or otherwise take steps in order to subscribe to the Offer Shares unless (A) the subscriber is a registered client with a Manager as (i) a "qualified institutional buyer" (the "**QIB**") as defined in Rule 144A under the U.S. Securities Act, or (ii) a "major U.S. institutional investor" as defined in SEC Rule 15a-6 to the United States Exchange Act of 1934, or (B) the subscriber (i) confirms that it is a QIB acquiring the Offer Shares for its own account or for one or more accounts, each of which is a QIB, in a transaction exempt from the registration requirements under the U.S. Securities Act and (ii) executes and delivers a U.S. investor representation letter (the form of which is attached as Exhibit II to this Application Agreement) to a Manager. The Offer Shares are "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act and may not be deposited into any unrestricted depository receipt facility in the United States, unless at the time of deposit the Offer Shares are no longer "restricted securities". The Offer Shares may not be reoffered, resold, pledged or otherwise transferred, except (a) outside the United States in accordance with Rule 903 or Rule 904 of Regulation S, as applicable or (b) pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and subject to the provisions of the U.S. investor representation letter. Nordea is not a SEC registered broker-dealer and will only be participating in the Private Placement outside of the United States. Any offer or sale of the Offer Shares in the United States will be made solely by one or more broker-dealers registered as such under the U.S. Securities Exchange Act of 1934, as amended. No action taken by the Company or any of the Managers in the United States shall be attributed to Nordea.

Canada: The offer to subscribe to the Offer Shares is being made in Canada on a private-placement basis only, thus exempting it from the requirement that the Company prepare and file a prospectus with the applicable securities regulatory authorities. The Offer Shares are being offered in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell such securities. Each Canadian Applicant who subscribes to Offer Shares must be entitled under applicable securities laws to acquire Offer Shares without the benefit of a prospectus qualified under such securities laws; must be an "accredited investor" within the meaning of National Instrument 45-106 – Prospectus and Registration Exemptions and subscribing to the Offer Shares as principal or deemed principal for its own account; and must be a "permitted client" within the meaning of National Instrument 31-103 – Registration Requirements and Exemptions. There is currently no public market for the Offer Shares in Canada and any resale of the Offer Shares in Canada must be made in accordance with applicable securities laws.

United Kingdom: Each UK Applicant confirms that it understands that the Offering has only been communicated (a) to persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "**Relevant Persons**") and (b) only in circumstances where, in accordance with section 86(1)(c) and (d) of the Financial and Services Markets Act 2000 (the "**FSMA**"), the requirement to provide an approved prospectus in accordance with the requirement under section 85 FSMA does not apply as the minimum denomination of any subscription for the Offer Shares exceeds EUR 100,000 or an equivalent amount. Any application or subscription for the Offer Shares is available only to relevant persons and will be engaged in only with relevant persons and each UK Applicant warrants that it is a relevant person.

Australia and Japan: The Offer Shares will not be registered under the applicable securities laws of Australia or Japan and may not be offered, sold, resold or delivered, directly or indirectly, in or into Australia or Japan except pursuant to an applicable exemption from applicable securities laws.

Norwegian regulatory information: In accordance with the Norwegian MiFID II Regulation of 4 December 2017 no. 1913 and the Norwegian Regulation on supplementary rules to the Norwegian MiFID II and MiFIR Regulations of 20 December 2017 no. 2300 corresponding to Directive 2014/65/EU (the Markets in Financial Instruments Directive) (together referred to as the "**MiFID II Regulations**"), the Managers must categorize all new customers in one of three customer categories; Eligible counterparties, Professional and Non-professional clients. All investors that are applying/subscribing for Offer Shares, and which are not existing clients of the Managers, will be categorized as Non-professional clients unless otherwise is communicated in writing by the relevant Managers. For further information about such categorization, the Applicant may contact the Managers. The Managers will treat the application as an execution-only instruction from the Applicant to apply for Offer Shares, since the Managers are not in the position to determine whether the application for Offer Shares is suitable or not for the Applicant. Hence, the Applicant will not benefit from the corresponding protection of the relevant conduct of business rules in accordance with the Norwegian MiFID II Regulation (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

The Managers will receive a consideration from the Issuer and will, in conducting their work, have to take into consideration the requirements of the Company and the interests of the investors subscribing under the Offering and the rules regarding inducements pursuant to the requirements of the Norwegian MiFID II Regulations (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

Personal data: The Applicant confirms that it has been provided with information regarding the Managers' processing of personal data, and that it is informed that the Managers will process the Applicant's personal data in order to manage and carry out the Offering and the application from the Applicant, and to comply with statutory requirements.

The data controllers who are responsible for the processing of personal data are the Managers. The processing of personal data is necessary in order to fulfil the application and to meet legal obligations. The Norwegian Securities Trading Act and the Norwegian Money Laundering Act require that the Managers process and store information about clients and trades, and controls and documents activities. The Applicant's data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Managers, with companies within the Managers' groups, the VPS and any stock exchanges and/or public authorities. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it.

If the Managers transfer personal data to countries outside the EEA, that have not been approved by the EU Commission, the Managers will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses.

As a data subject, the Applicants have several legal rights. This includes i.e. the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the Applicants will have the right to impose restrictions on the processing or demand that the information is deleted. The Applicants may also complain to a supervisory authority if they find that the Managers' processing is in breach of the law. Supplementary information on processing of personal data and the Applicants' rights can be found at the Managers' websites.

Target market: The target market for the Offering is (i) Professional investors, (ii) Eligible Counterparties, (iii) QIBs, and (iv) existing shareholders in the Company. Negative target market: An investment in the Offer Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

Information exchange and barriers: The Applicant acknowledges that there is a duty of secrecy between the different units of a Manager as well as between a Manager and the other entities in a Manager's group. This may entail that other employees of a Manager or a Manager's group may have information that may be relevant to the Applicant, but which the Managers will not have access to in their capacity as the managers for the Offering. The Managers are further part of securities firms that offer a broad range of investment services. In order to ensure that assignments undertaken in certain departments are kept confidential, the other activities, including analysis and stock broking, are separated from the respective departments by information walls. The Applicant acknowledges that the analysis and stock broking activity within the securities firm may conflict with the Applicant's interests with regard to transactions in the Offer Shares as a consequence of such information walls.

Mandatory anti-money laundering procedures: The Offering is subject to the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 no. 1324 (collectively the "Anti-Money Laundering Legislation"). Applicants who are not registered as existing customers of the Managers must verify their identity to the Managers in accordance with the requirements of any applicable Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have designated an existing Norwegian bank account and an existing VPS account on the Application Agreement are exempted, unless verification of identity is requested by the Managers. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period will not be allocated Offer Shares.

Commission: The Applicant is not allowed to apply or subscribe for Offer Shares by commission or similar arrangements.

Conditionality of the Offering: Completion of the Offering by the allocation and subscription of the Offer Shares is subject to (i) execution of all required corporate resolutions by the Board to implement the issue of the Offer Shares; (ii) the permission of the Bermuda Monetary Authority for the issuance of the Offer Shares; and (iii) to the extent required, the receipt of a Ministerial direction that the prospectus provisions of the Companies Act 1981 of Bermuda do not apply to the Offering (jointly referred to as the "Conditions").

Cancellation: The Applicant acknowledges that the Offering will be cancelled if the Conditions are not fulfilled, and may be cancelled by the Company in its sole discretion for any other reason. Neither the Managers nor the Company will be liable for any losses if the Offering is cancelled, irrespective of the reason for such cancellation.

Relation to laws, regulations and by-laws: The Applicant has full power and authority to execute and deliver the Application Agreement and to approve these terms and conditions and to apply and subscribe for the Offer Shares and is authorized to pay all amounts it has committed to pay subject to the satisfaction of the terms stated herein for completion of the Offering. The execution and delivery of the Application Agreement has been authorized by all necessary action by the Applicant or on the Applicant's behalf, and the Application Agreement represents valid and binding obligations, enforceable against the Applicant in accordance with its terms. The Applicant bears the full risk for its legal ability to apply for, subscribe and own the Offer Shares, and its monetary liability under this undertaking will not cease to be effective in the event that subscription and ownership of the Offer Shares would be illegal due to applicable statutory law and regulations. In such event, the Applicant shall fulfil the payment obligations that have been effected hereunder and will designate a third party to whom the Offer Shares are to be issued.

Limitation of liability: The Managers hereby, to the fullest extent permissible under applicable law, expressly disclaim any liability whatsoever towards the Applicant in connection with the Offering and the Applicant understands and expressly agrees that it is applying and subscribing for the Offer Shares on this basis. The Managers make no undertaking, representation or warranty, expressed or implied, to the Applicant regarding the accuracy or completeness of the Offering Material and any other information (whether written or oral), concerning the Company, the Offer Shares or the Offering received by the Applicant whether such information was received through the Managers or otherwise, and the Applicant acknowledges by the Applicant's application that the Applicant has not been induced to enter into this Application Agreement by any representation, warranty or undertaking by any of the aforementioned.

Overdue and missing payments: Overdue payments will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100; 8.75% per annum as of the date hereof. If the Applicant fails to comply with the terms of payment or should payments not be made when due, the Offer Shares allocated to such Applicant will not be delivered to the Applicant. The Applicant will remain liable for payment of the Offer Shares allocated to it. The Company and the Managers reserve the right in this case to, at any time and at the risk and cost of the Applicant, re-allot, cancel or reduce the application and the allocation of the allocated Offer Shares, or, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares in accordance with applicable law. The Company and the Managers further reserve the right (but have no obligation to) to have the Managers advance the subscription amount on behalf of Applicants who have not paid for the Offer Shares allocated to them. The non-paying Applicants will remain fully liable for the subscription amount payable for the Offer Shares allocated to them, irrespective of such payment by the Managers. The non-paying Applicant will be liable for any loss, cost and expenses suffered or incurred by the Company and/or the Managers as a result of or in connection with such disposal. The non-paying Applicant will be liable for payment of the entire amount due, interest, costs, charges and expenses accrued (and will not be entitled to profits, if any), and the Company and/or Managers may enforce payment for any such amount outstanding.

Third party rights: This Application Agreement is entered into between the Applicant and the Company, and provides the Managers with rights and entitlements as a third party in so far as is stipulated herein.

Governing law: Norwegian law governs the Application Agreement. Any disputes regarding this Application Agreement which cannot be solved amicably, shall be referred to the ordinary courts of Norway and the Applicant accepts the non-exclusive jurisdiction of the Oslo Municipal Court, provided, however, that any dispute regarding this Application Agreement or the Private Placement that involves a claim or action (contractual or non-contractual) against the Managers shall be referred to the exclusive jurisdiction of the Oslo Municipal Court.

EXHIBIT II

Additional Representations and Warranties Required for US Persons or for Applicants Subscribing to Offer Shares from within the United States

The Applicant hereby represents and warrants that

- (i) the Applicant is a qualified institutional buyer (QIB) as defined under Rule 144A under the US Securities Act;
- (ii) the Applicant is aware that the Offer Shares are being offered and sold to the Applicant in reliance on applicable exemptions from the registration requirements of the US Securities Act for non-public offerings;
- (iii) the Applicant is acquiring the Offer Shares for its own account or for the account of a QIB with respect to which the Applicant exercises investment discretion for investment purposes;
- (iv) the Applicant understands that the Offer Shares have not been and will not be registered under the US Securities Act and will be “restricted securities” (as defined in Rule 144 under the US Securities Act) and that, as such, the Offer Shares may not be reoffered, resold, pledged or otherwise transferred, except (A) outside the United States in an offshore transaction, as defined in, and meeting the requirements of, Regulation S under the US Securities Act, (B) to a person who the Applicant reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (C) pursuant to an exemption from registration under the US Securities Act provided by Rule 144 thereunder (if available) or otherwise, or (D) pursuant to an effective registration statement under the US Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or other applicable jurisdiction;
- (v) the Applicant has had access to and has received such financial and other information regarding the Company, the Offer Shares and the Offering as the Applicant deems necessary in order to make its investment decision to subscribe for the Offer Shares, including, but not limited to, reviewing the Company’s periodic reports (if any) and other filings to the date hereof as displayed on the Company’s website. If the Applicant has had any questions regarding the Company or the Offer Shares, the Applicant has asked these questions and has received satisfactory answers thereto from representatives of the Company. The Applicant has not relied on representations, warranties, opinions, projections, financial or other information or analysis, if any, supplied to it by any person other than the Company;
- (vi) the Applicant is a sophisticated investor and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Offer Shares and the Applicant is able to bear the economic risks of such an investment, including the loss of the entire investment. In the normal course of its business, the Applicant invests in or purchases securities similar to the Offer Shares. The Applicant is aware that it may be required to bear the economic risk of an investment in the Offer Shares for an indefinite period of time, and it is able to bear such risk. The Applicant has not been formed for the specific purpose of acquiring the Offer Shares;
- (vii) the Applicant has relied upon its own tax, legal and financial advisers in connection with its decision to subscribe to the Offer Shares and believes that an investment in the Offer Shares is suitable for the Applicant based upon the Applicant’s investment objectives, financial needs and personal contingencies; the Applicant has no need for liquidity of investment with respect to the Offer Shares;
- (viii) the Applicant is acquiring the Offer Shares for investment purposes only and not with a view to or for the purposes of resale, distribution or fractionalization thereof, in whole or in part, in violation of the US securities laws. The Applicant has no agreement, understanding or intention to distribute, resell, pledge or otherwise transfer the Offer Shares or any part thereof, directly or indirectly, in the United States or to any US persons;
- (ix) the Applicant agrees that so long as the Offer Shares are “restricted securities” as defined in Rule 144 under the US Securities Act, it shall notify each transferee of the Offer Shares from it that (a) such Offer Shares have not been registered under the US Securities Act; (b) such Offer Shares are subject to the restrictions on the resale or other transfer thereof described above; (c) such transferee shall be deemed to have represented (i) as to its status as a transferee acquiring the Offer Shares in an offshore transaction pursuant to Regulation S under the US Securities Act or in a transaction that does not require registration under the U.S. Securities Act or any applicable laws of the states of the United States and (ii) that such transferee is not an “underwriter” within the meaning of Section 2(a)(11) of the US Securities Act; and (d) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and
- (x) the Applicant acknowledges that it has not subscribed to the Offer Shares as a result of any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

The Applicant further understands and agrees that it will subscribe to the Offer Shares allocated to it from Clarksons Platou Securities, Inc., DNB Markets, Inc., Fearnley Securities, Inc. and/or Pareto Securities Inc. (all registered broker dealers owned by the respective Managers).

Signature of Applicant*

***Only Applicants who are US persons or who are acquiring Offer Shares in the United States are required to make the representations and warranties set forth in this Exhibit II.**