



**FLEX LNG Ltd.**

**Application Agreement  
(Private Placement 10 October 2018)**

**Fearnley Securities AS  
DNB Markets  
Pareto Securities AS  
Arctic Securities AS  
Skandinaviska Enskilda Banken AB (publ.)  
ABN AMRO Bank N.V**

**General Information:** FLEX LNG Ltd. ("**FLEX**" or the "**Company**"), a limited liability company continued under the laws of Bermuda and shares registered in the VPS under the ISIN BMG359471031, contemplates an equity issue in the amount of approx. NOK 2,490 million (approximately USD 300 million based on USD/NOK exchange rate of 8.30), by issuing new shares (the "**Offer Shares**") at a price to be determined by the Board of the Company on the basis of an accelerated bookbuilding process with a target price close to trading price (the "**Subscription Price**"), each with a nominal value of USD 0.01 directed to institutional or professional investors as further described below (the "**Private Placement**"). The Private Placement is directed towards investors subject to applicable exemptions from relevant prospectus requirements (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 the selling and transfer restrictions applicable to the Private Placement, and Exhibit II for certain applicants subject to the provisions set out under "United States" in Exhibit I. The Private Placement comprises an offering (i) towards existing shareholders and external investors, where the minimum subscription and allocation amount is set to the NOK equivalent of EUR 100,000, who may lawfully participate in the Private Placement, provided that the Company reserves the right to offer and allocate lower amounts in accordance with exemptions from applicable prospectus requirements. Geveran Trading Co Ltd. ("**Geveran**"), which is the Company's largest shareholder, has guaranteed that the Private Placement will be fully subscribed. Geveran has pre subscribed for and will be allocated share equivalent to approximately USD 100 million of the Private Placement.

The Company has appointed Fearnley Securities AS, DNB Markets, a part of DNB Bank ASA ("**DNB**"), Pareto Securities AS, ABN AMRO Bank N.V., Arctic Securities AS, and Skandinaviska Enskilda Banken AB (publ.) (Oslo Branch) as managers (collectively, the "**Managers**") in the Private Placement. Completion of the Private Placement by the issue and allocation of Offer Shares is subject to i) all necessary corporate resolutions being validly made by the Company, including without limitation approval by the Company's Board of Directors; and ii) payment being received for the allocated Offer Shares to be issued in the Private Placement. The principal terms and conditions of the Private Placement are set out in the enclosed term sheet dated 10 October 2018 (the "**Term Sheet**"). This application agreement (including its Exhibits) (the "**Application Agreement**"), the investor presentation dated 10 October 2018 (the "**Investor Presentation**") and the Term Sheet shall constitute the "**Investor Documentation**". The applicant (the "**Applicant**") hereby acknowledges to having received and accepted the terms set out in the Investor Documentation and that the application and subscription for Offer Shares are subject to the terms set out therein.

**Application procedure:** Applications will take place from and including 10 October 2018 at 16:30 hours CEST to and including 11 October 2018 at 08:00 hours CEST (the "**Bookbuilding Period**"). The Company, together with the Managers, reserve the right, at their own discretion, to close or extend the Bookbuilding Period at any time for any reason, without notice. If the Bookbuilding Period is shortened or extended, the other dates referred to herein may be amended accordingly.

By executing this Application Agreement, or by placing an application by taped phone as further described below, the Applicant irrevocably confirms the Applicant's request to subscribe for the number of Offer Shares at the amount(s) specified by such Applicant on the terms included in the Investor Documentation, and authorizes and instructs each of the Managers or their appointed representative, each acting alone, to subscribe for the number of Offer Shares allocated to the Applicant in the Private Placement (the "**Allocated Shares**") on behalf of the Applicant. If no price limit is stated no price limit will apply and the Application will be considered as an Application for the stated number of shares or the stated amount at any final Subscription Price. This Application Agreement, duly signed, valid and binding on the part of the Applicant, must be in the possession of DNB, mail: [demand@dnb.no](mailto:demand@dnb.no), Pareto Securities AS, mail: [subscription@paretosec.com](mailto:subscription@paretosec.com), Arctic Securities, Fearnley Securities, SEB, ABN AMRO, by the end of the Bookbuilding 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 Bookbuilding Period provided that the Applicant confirms that the Applicant 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 this Application Agreement in writing, 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 this Application Agreement.** Any application received by a Manager (whether in writing or by taped phone) becomes binding at the end of the Bookbuilding Period and may not be withdrawn or amended after such time.

**Allocation of Offer Shares:** Notification of allotment and payment instruction (the "**Notification**") will be sent to the Applicant by one of the Managers after closing of the Bookbuilding Period. The Company and the Managers will in their sole discretion allocate the Offer Shares to the Applicants and may take into account such allocation principles as set out in the Term Sheet. The Company and the Managers may, at their sole discretion, set a maximum allocation to any Applicant as well as reject or reduce any application in whole or in part. The final allocation of Offer Shares will be resolved by the Company's board of directors. Allotment of Offer Shares totalling a lower amount than applied for does not affect the Applicant's obligation to subscribe and pay for the Offer Shares allotted.

**VPS Registration:** In order to facilitate registration of the beneficial interests in the Company's shares with the VPS, the Company has entered into a registrar agreement with DNB (the "**VPS Registrar**"), who operates the Company's VPS share register. Pursuant to the registrar agreement, the VPS Registrar is registered as holder of the Company's shares (and will be so with respect to the Offer Shares) in the register of members that the Company maintains pursuant to the laws of Bermuda. The VPS Registrar will register the beneficial interests in the Allocated Shares in book-entry form with the VPS. Therefore, it is not the Company's shares in registered form issued in accordance with the laws of Bermuda, but the beneficial interests in such shares in book-entry form that are registered with the VPS. The beneficial interests in the Allocated Shares will be registered in book-entry form with VPS under the category of a "share".

**Payment and delivery:** The date for payment of the Offer Shares in the Private Placement is expected to be on or about 15 October 2018 (the "Payment Date"), subject to any shortening or extensions of the Bookbuilding Period, and any further payment details will be stated in the Notification. The Applicant shall pay the subscription amount (being the number of Allocated Shares multiplied with the Subscription Price) in accordance with the procedures set out herein and in the Notification. The Managers assume no responsibility for the delivery and payment obligations of the Company and Applicant respectively. The Allocated Shares will be delivered to the Applicant's VPS account as soon as practicable after full payment has been received and the Conditions (as defined below) have been met. To enable settlement on a delivery versus payment (DVP) basis, the Managers have established a right to borrow a number of existing and unencumbered shares in the Company, equalling the number of Offer Shares allocated in the Private Placement (the "Borrowed Shares") from Geveran. By placing an Application, the Applicant accepts and agrees that the delivery of Allocated Shares shall be made by delivery of Borrowed Shares, and that such delivery of Borrowed Shares shall constitute a full discharge of the Managers' and the Company's obligation to deliver the corresponding number of Allocated Shares to the Applicant pursuant to this Application Agreement. The Applicant further accepts that the Offer Shares issued in relation to the Private Placement will be delivered to Geveran as good redelivery of the Borrowed Shares after issue of the Offer Shares, and the Applicant agrees that such Offer Shares shall be fully paid and non assessable provided that on or before the time of delivery of such Offer Shares, the Company receives from the Managers out of the subscription amount paid by the Applicant for the Offer Shares, an amount at least equal to the par value of the Offer Shares.

The Borrowed Shares delivered to Applicants will be tradable on Oslo Børs immediately after allocation. The Offer Shares redelivered to Geveran will be placed on a separate ISIN pending publication of a listing prospectus to be approved by the Norwegian Financial Supervisory Authority, and will not be listed or tradable on Oslo Børs until the approved listing prospectus has been published by the Company, expected in December 2018.

**Subsequent Offering:** The Company may, subject to completion of the Private Placement, propose to carry out a subsequent share offering (the "Subsequent Offering"), to certain eligible shareholders. If the Company resolves to carry out a Subsequent Offering, shareholders in the Company as of 10 October 2018 (as registered with the VPS two trading days thereafter) (the "Record Date"), who were not allocated Offer Shares in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing, registration or similar action, will, to the extent permitted by applicable law, receive non-tradable subscription rights based on their registered shareholdings as at the Record Date. The subscription price in the Subsequent Offering will be the same as the Subscription Price in the Private Placement. The Applicant acknowledges that it will not be given the right to participate in a Subsequent Offering, neither with respect to its holding of Offer Shares or other shares in the Company. The completion of the Subsequent Offering is subject to (i) relevant corporate resolutions including approval by the Board of the Company, and (ii) completion of the Private Placement. The commencement of the subscription period for the Subsequent Offering is also subject to the approval of a prospectus for the Subsequent Offering.

**VPS account:** Any allocation of Offer Shares in the Private Placement is conditional upon the Applicant holding 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 EEA. Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the 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.

**Confidentiality:** The offer to apply for and apply for Offer Shares in the Private Placement is personal and cannot be forwarded or made known to any third party. The Applicant hereby undertakes to keep the contents of this Application Agreement and any information made available pursuant to it confidential, including but not limited to the fact that any agreement has been entered into until the completion of the Private Placement has been resolved and publicly announced by the Company, with the exemption for disclosure to applicable authorities as required by law. The Applicant acknowledges that knowledge of the planned Private Placement may constitute inside information and agrees to adhere to the restrictions set out in chapter 3 of the Norwegian Securities Trading Act relating to inside information.

## SPECIFICATION OF APPLICATION

Please specify the number of or NOK amount of Offer Shares applied for, subject to the price limitations set forth below. If no specification is given below, the "no price limit" option will apply:

Offer price per share:	Number of shares or NOK amount applied for at the stated price limitations <sup>(1)</sup>	For the use of the Managers
From NOK ____ up to and including NOK ____		
From NOK ____ up to and including NOK ____		
From NOK ____ up to and including NOK ____		
No price limit		

<sup>(1)</sup>Please state clearly whether the order is in number of shares or amount.

On the terms and conditions set forth in this Application Agreement (including its Exhibits), the undersigned Applicant hereby confirms the Applicant's request to apply and subscribe for Offer Shares as stated above if issued by the Company on the terms set out in the Investor Documentation. The Applicant further confirms that (i) the Applicant is aware that a prospectus has not been prepared in respect of the Private Placement, (ii) 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 Private Placement, (iii) the Applicant has received and read the Investor Documentation, (iv) the investment in the Offer Shares is made solely at the Applicant's own risk, (v) the Applicant is not subscribing for or purchasing Offer Shares, either on the Applicant's own account or for the account of

others, in contradiction to the selling and transfer restrictions included in Exhibits I and II, (vi) the Applicant has read and understood, and accepts to be bound by, the entire Application Agreement (including the Exhibits), and (vii) the Applicant irrevocably authorizes each of the Managers (or someone appointed by any of them), each acting alone, to subscribe for any Offer Shares allocated to the undersigned Applicant and have such Offer Shares delivered (as Borrowed Shares) to the Applicant pursuant to this Application Agreement.

**Application date and place**

Must be dated in the Application Period

**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

**INFORMATION ON THE APPLICANT – ALL FIELDS MUST BE COMPLETED**

First name	
Surname/company	
VPS account number	
Street address	
Post code/district/ country	
Personal ID number/ organization number	
Legal Entity Identifier («LEI»)/National Client Identifier («NID») <sup>1</sup>	
Nationality	
E-mail address	
Daytime telephone number	

**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.**

<sup>1</sup> 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.

## EXHIBIT I

### Terms and Conditions of Application

**Information/ risks/ representations and warranties:** The Applicant confirms that it has sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of an investment decision in the Company by applying for and purchasing 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. The Applicant confirms that it has received the Investor Documentation 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. The Applicant has made its own assessment of the Company, the Offer Shares and the terms of the Private Placement based only on the Investor Documentation and such information as is publicly available, including the Company's financial statements, 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. The Applicant confirms that other than as set out in the Investor Documentation (for which the Company alone is responsible), it has not relied on 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. The Managers expressly disclaim liability in connection with the Applicant's participation in the Private Placement and the Applicant understands and expressly agrees that it is applying for Offer Shares on this basis. The Applicant further confirms 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.

The Applicant confirms that the Applicant is aware that a prospectus has not been prepared in respect of the Private Placement and that no legal, financial, commercial, technical or other due diligence has been conducted in connection with the Private Placement. The Applicant understands that the Offer Shares will not be issued unless approved by the board of directors of the Company. The Applicant is aware that a listing prospectus to be prepared in accordance with the EU Prospectus Directive will be published by the Company in connection with the listing of the Offer Shares on Oslo Børs, and the Applicant accepts not to have had access to such prospectus when entering into this Application Agreement and the Applicant will remain bound by this Application Agreement following the publication of such prospectus regardless of its content and any new information which may be contained therein. The Applicant acknowledges and agrees that it will remain bound by this Application Agreement notwithstanding any developments that may occur subsequent to the time this Application Agreement becomes binding on the Applicant in accordance with its terms, including any announcements of financial results and/or trading or financial updates by the Company after such time.

**Selling and transfer restrictions:**

**General:** This Application Agreement does not constitute an offer to sell or a solicitation of an offer to buy 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 or purchase Offer Shares unless (A) the subscriber is a registered client with a Manager as (i) a "qualified institutional buyer" ("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.

**Canada:** The distribution of the Offer Shares in Canada is being made only on a private-placement basis, 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 purchaser who purchases Offer Shares must be entitled under applicable securities laws to purchase such securities 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 purchasing 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 Private Placement 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 ("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 and subscription for the Offer Shares exceeds €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.

**Regulatory issues:** In accordance with 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"), a Manager must categorize all new customers in one of three customer categories. All investors that are applying for Offer Shares in the Private Placement and which are not existing clients of a Manager will be categorized as Non-professional clients unless otherwise is communicated in writing by the relevant Manager. For further information about the categorization the Applicant may contact the Manager. The Manager will treat the Application as an execution only instruction from the Applicant to apply for Offer Shares under the offer and hence the Manager will not determine whether the Application for Offer Shares is suitable or not for the Applicant as otherwise provided for in the Norwegian MiFID II Regulations.

**Managers' consideration:** Each of the Managers will receive a consideration from the Company 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 Private Placement 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)).

**Target market:** The target market for the Private Placement is non-professional, professional and other eligible counterparties. Negative target market: An investment in the Company's 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 the Manager and the other entities in the Manager's group. This may entail that other employees of the Manager or the Manager's group may have information that may be relevant to the Applicant, but which a Manager will not have access to in its capacity as Manager for the Private Placement. The Manager is further part of a securities firm that offers 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 Private Placement is subject to the Norwegian Money Laundering Act No. 11 of 6 March 2009 and the Norwegian Money Laundering Regulations No. 302 of 13 March 2009 (collectively the "Anti-Money Laundering Legislation"). Applicants who are not registered as existing customers of a Manager must verify their identity to the Manager in accordance with requirements of the 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 a Manager. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period will not be allocated Offer Shares.

**Personal data:** The Applicant confirms that it has been provided 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 Private Placement 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 control and document 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 the company(ies) participating in the offering, with companies within the Managers' groups, VPS, 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

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

**Conditionality of the Private Placement:** Completion of the Private Placement by the issue and allocation of Offer Shares is subject to i) all necessary corporate resolutions being validly made by the Company, including without limitation approval by the Company's Board of Directors; ii) payment being received for the allocated Offer Shares to be issued in the Private Placement (jointly referred to as the "**Conditions**").

**Cancellation:** The Applicant acknowledges that the Private Placement 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 Private Placement is cancelled, irrespective of the reason for such cancellation.

**Relation to law, 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 Private Placement. The execution and delivery of the Application Agreement has been authorized by all necessary action by Applicant or on 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, purchase and own Offer Shares in the Company, 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 and will designate a third party to whom the Offer Shares are to be issued.

**Limitation of liability:** The Managers hereby expressly disclaim any liability whatsoever towards the Applicant in connection with the Private Placement and the Applicant understands and expressly agrees that it is applying for and subscribing Offer Shares on this basis. The Managers make no undertaking, representation or warranty, express or implied, to the Applicant regarding the accuracy or completeness of the Investor Documentation and any other information (whether written or oral), concerning the Company, the Offer Shares or the Private Placement 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; 8.50% per annum as of the date of this Application Agreement. If the Applicant fails to comply with the terms of payment or should payments not be made when due, the Applicant will remain liable for payment of the Offer Shares allocated to it and the Offer Shares allocated to such Applicant will not be delivered to the Applicant. In such case the Company and the Managers reserve the right 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, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares in accordance with applicable law. If Offer Shares are sold on behalf of the Applicant, such sale will be for the Applicant's account and risk and the Applicant will be liable for any loss, costs, charges and expenses suffered or incurred by the Company and/or any Manager as a result of, or in connection with, such sales. The Company and/or the Managers may enforce payment for any amounts outstanding in accordance with applicable law.

**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 are 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 District Court.

However, the Applicant agrees that the Company and the Managers may at their sole discretion alternatively bring a claim against the Applicant for payment of payment of the Offer Shares allocated to it and/or any loss they may have suffered in the jurisdiction of the Applicant and/or in such other jurisdiction as a claim against the Applicant may be pursued.

## EXHIBIT II

### Additional Representations and Warranties Required for U.S. persons or for Applicants Acquiring Offer Shares in the United States

The Applicant hereby represents and warrants that

- (i) the Applicant has a pre-existing relationship with a Manager ;
- (ii) the Applicant is a “qualified institutional buyer” (“QIB”) as defined under Rule 144A under the U.S. Securities Act;
- (iii) 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 U.S. Securities Act for non-public offerings;
- (iv) 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;
- (v) the Applicant understands that the Offer Shares have not been and will not be registered under the U.S. Securities Act and will be “restricted securities” (as defined in Rule 144 under the U.S. Securities Act) and that such 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 U.S. 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 U.S. Securities Act provided by Rule 144 thereunder (if available) or otherwise, or (D) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or other applicable jurisdiction;
- (vi) the Applicant has had access to and has received such financial and other information regarding the Company, the Offer Shares and the Private Placement 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 and other filings to the date hereof as displayed on the Company’s web site. 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 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 or any of its affiliates;
- (vii) 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 its 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;
- (viii) the Applicant has relied upon its own tax, legal and financial advisers in connection with its decision to purchase 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;
- (ix) 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, in whole or in part, thereof in violation of the U.S. 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 U.S. persons;
- (x) the Applicant agrees that so long as the Offer Shares are “restricted securities” as defined in Rule 144 under the U.S. Securities Act, it shall notify each transferee of Offer Shares from it that (a) such Offer Shares have not been registered under the U.S. 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 subscriber acquiring the Offer Shares in an offshore transaction pursuant to Regulation S under the U.S. 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 U.S. Securities Act; and (d) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and
- (xi) the Applicant acknowledges that it has not purchased 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.
- (xii) The Applicant further understands and agrees that it will acquire the Offer Shares allocated to it from the Managers’ subsidiaries in the US, which are FINRA registered broker-dealers, Arctic Securities LLC, Fearnley Securities, Inc., DNB Markets Inc., and Pareto Securities Inc. in accordance with the Securities Exchange Act section 15A-6.

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Signature of Applicant \*

**\*Only Applicants who are U.S. 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.**