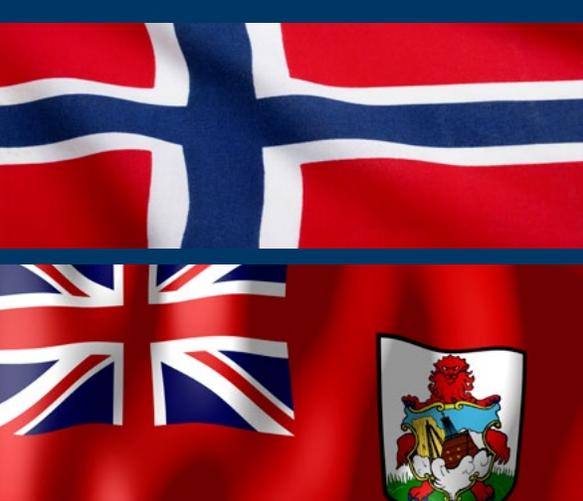




ISSUE NO.3

NORWAY PRACTICE 2017



WORKING TOGETHER



We have prepared this bulletin for our clients and colleagues who work with us in the Norwegian ship finance and shipping capital markets space. Norway continues to be of importance to our transaction-focused corporate practice, a foundation of which is our extensive relationships with Norwegian law firms, defence clubs, corporates and financial institutions. We are committed to supporting and sustaining these relationships through the distribution of this bulletin and regular visits to Norway.

2016 was another challenging year for new financings and equity raises in the shipping sector. Accessing the equity capital markets - especially in the shipping area - remains challenging. Despite the relatively positive performance of the Oslo Børs, only one new IPO featured in 2016.

This reflected the global trend where new IPO issuers (-16%) and capital raised (-33%) declined significantly, compared to 2015. Our clients have instead focused on alternatives, including debt restructuring and private placements.

As we predicted last year, new issuances in the bond sector have been difficult for those other than established corporates, and additional capital has been sought from shareholders through rights offerings. Due to heavy exposure to oil and gas and oil service industries, Norwegian HYB issuers have shown extreme vulnerability to lower oil prices, especially among those with exposure to the capital-intensive offshore drilling sector.

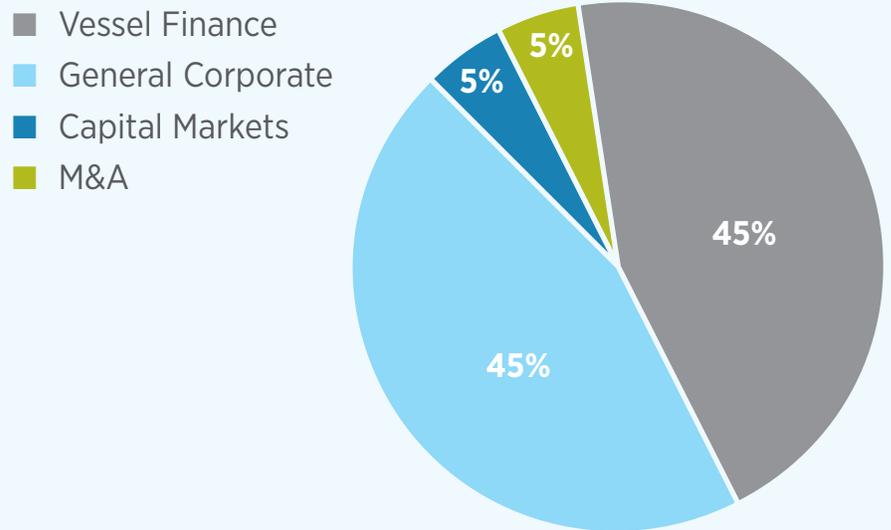
Since the latter part of 2014, issuers have continued to work with banks and investors to “amend and extend” bond covenants. When time and investor patience runs out, more painful restructuring is the result and we have finally observed evidence of this trend.

The Bermuda Ship Registry achieved its long-stated ambition of restructuring as a quango, following record years for new vessel registrations in 2015 and 2016. The Registry is now better positioned to accommodate and service ship owners.

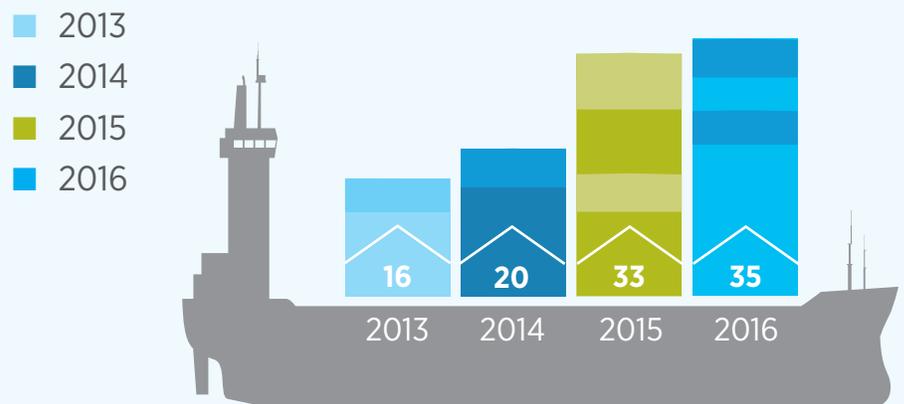
CONYERS' WORK IN THE NORWAY SHIPPING SPACE

Our shipping work in Norway continues to account for approximately 30% of our Bermuda shipping practice. In line with previous years, vessel finance accounted for 45% of our Norway sourced work in 2016. New ship registrations continued the upward trend, setting yet another record from the previous year. The increase in restructuring work (referenced earlier in the bulletin) contributed to the significant increase in general corporate work to 45% (up from 32% in 2015). Capital markets work declined significantly (from 11% to 5%), which reflects the challenges of debt and equity capital markets for issuers in the shipping and oil and gas industries.

2016 Norway Work by Practice Area



Bermuda Shipping & Maritime Authority Ship Registrations 2013-2016



BERMUDA SHIPPING SECTOR

2016 was a watershed year for the Bermuda Ship Registry as the operations of the former Department of Maritime Administration were transferred into a new body, named the Bermuda Shipping and Maritime Authority. It now operates as a quasi-autonomous non-governmental organisation (or quango). The move to a quango has been in the works for many years and will provide a level of independence to Bermuda's ship registry and maritime authority. There were 35 new vessel registrations in 2016 (two more than the previous record of 33 set in 2015), the majority of which were handled by our shipping practice.



BERMUDA CORPORATE PRACTICE BY THE NUMBERS

14

Bermuda companies on the Oslo Børs with a market capitalization of US\$6.7 billion as of 1 April 2017



Archer Limited (OSLO:ARCHER)	Market Capitalization, \$US mm	218.2	Jinhui Shipping and Transportation Limited (OSLO:JIN)	Market Capitalization, \$US mm	97.6
Avance Gas Holding Ltd (OSLO:AVANCE)		206.1	Odfjell Drilling Ltd. (OSLO:ODL)		454.6
BW LPG Limited (OSLO:BWLPG)		697.1	RomReal Ltd (OSLO:ROM)		14.4
BW Offshore Limited (OSLO:BWO)		521.7	SeaDrill Limited (NYSE:SDRL)		351.3
Frontline Ltd. (NYSE:FRO)		1136	Sevan Drilling Limited (OSLO:SEVDR)		12.4
Golden Ocean Group Ltd. (NasdaqGS:GOGL)		957.8	Stolt-Nielsen Limited (OSLO:SNI)		1021.3
Höegh LNG Holdings Ltd. (OSLO:HLNG)		772.4	Team Tankers International Ltd. (OSLO:TEAM)		259.3

6.7_{BIL}

Market capitalization of Bermuda companies listed on the Oslo Børs



43.5

Percent of listings on the Oslo Børs Shipping Index which are Bermuda companies



11+

Gross tonnage on the Bermuda Ship Registry is over 11 million tonnes (18th in the world)



68

Bermuda companies listed on the NYSE and Nasdaq



246_{BIL}

Market capitalization of Bermuda companies on the NYSE and Nasdaq



TRANSACTIONS

GOLDEN CLOSE MARTIME CORP. LTD.'S US\$400 MILLION RESTRUCTURING

Conyers is acting for Nordic Trustee ASA on the restructuring by Golden Close Maritime Corp. Ltd. of its corporate bonds, consisting of US\$400 million 9% senior secured callable bonds 2014/2019. Measures to enhance the company's liquidity include a PIK issuance and subsequent debt for equity swap in respect of accrued and unpaid interest; the issuance of new bonds to the drillship manager in return for a reduction of its fixed-fee and allocation of administration cost until the end of 2020 and a release of a US\$5 million reserve on the operating accounts. More favourable borrowing terms will be put in place by the swapping of all but US\$100 million of the remaining senior bonds for convertible bonds, which are coupon-free. Additional financing of up to US\$50 million in super senior bonds in one or more tap issues, or up to US\$20 million in borrowings to fund bid guarantees, will support the company's capital requirements.

BW OFFSHORE RESTRUCTURES TO IMPLEMENT A NEW LONG-TERM FINANCIAL PLATFORM

Conyers advised BW Offshore Limited (OSLO:BWO) on the Bermuda law aspects of its restructuring, which implemented a new long-term financial platform for BWO. The new long-term financial platform is expected to contribute more than US\$500 million in improved liquidity in the period through 2020 and thereby give the company a significant runway until an expected market recovery.

BW LPG'S VOLUNTARY EXCHANGE OFFER TO ACQUIRE SHARES IN AURORA LPG

Conyers advised BW LPG Limited (OSLO:BWLPG) on the Bermuda law aspects of the company's voluntary exchange offer to acquire all the shares of Aurora LPG Holding ASA. The company's offer comprised either 0.3175 new common shares of BW LPG and NOK7.40 in cash, or NOK16.00 in cash, for each of the remaining Aurora LPG shares BW LPG did not already own. BW LPG has since acquired all of the shares of Aurora LPG, and delisted Aurora from the Oslo Axess.

STONEPEAK INFRASTRUCTURE PARTNERS' 50/50 JOINT VENTURE WITH GOLAR LNG LIMITED

Conyers advised Stonepeak Infrastructure Partners on its 50/50 joint venture with Golar LNG Limited in Golar Power Ltd. Golar Power will offer integrated LNG-based downstream solutions, through the ownership and operation of floating storage and regasification units and associated terminal and power generation infrastructure.

Stonepeak acquired its 50% of Golar Power for US\$117 million in cash, with a subscription for US\$75 million in preference shares and a commitment to invest a further US\$75 million in additional equity.



A SIGNIFICANT PART OF (CONYERS') PRACTICE INVOLVES ADVISING CLIENTS BASED IN NORWAY - CHAMBERS & PARTNERS 2017

Awards & Accolades

Conyers Dill & Pearman has more Corporate lawyers ranked by legal directories than any other Bermuda firm.

GASLOG ISSUES NOK750 MILLION SENIOR UNSECURED BONDS

GasLog Ltd. (NYSE:GLOG), an international owner, operator and manager of LNG carriers, returned to the capital markets once again in June 2016 with the issuance of NOK750 million senior unsecured bonds due in May 2021 with Nordic Trustee ASA as the bond trustee. Conyers advised GasLog on the bond issuance. This bond issuance follows from a previous bond offering in 2014.

STOLT-NIELSEN LIMITED ISSUES US\$125 MILLION SENIOR UNSECURED BONDS

Conyers advised Stolt-Nielsen Limited (OSLO:SNL), a leading global provider of integrated transport solutions for bulk liquid chemicals, on the tap issues of its senior unsecured bonds maturing in 2018 (NOK200 million), 2019 (NOK500 million), 2020 (NOK150 million) and 2021 (NOK200 million) with Danske Bank Markets, DNB Markets, Nordea Markets and Swedbank as joint lead arrangers.

AVANCE GAS AMENDS US\$450 MILLION AND US\$200 MILLION FACILITIES

Conyers advised the agents, DNB Bank ASA and Nordea Bank Norge ASA respectively, in connection with the amendment of each of Avance Gas Holding Ltd's (OSLO:AVANCE) US\$450 million and US\$200 million facilities. The amendments provide for a 2.5 year period, which commenced 1 January 2017, and state that amortization payments, on both facilities, will be reduced by 50%, deferring a total of US\$55 million of amortization payments over the period. Avance Gas also managed to raise the required US\$55 million of new equity in October 2016.

STOLT-NIELSEN AMENDS EXISTING AND SIGNS FOR NEW CREDIT FACILITIES IN RELATION TO JO CHEMICAL TANKERS ACQUISITION

Conyers advised Danske Bank A/S, DNB Bank ASA and Nordea Bank Norge ASA, on amendments to various existing JO Chemical Tankers' credit facilities and the provision of new credit facilities in connection with the acquisition by Stolt-Nielsen of JO Chemical Tankers AS. The acquisition completed in November 2016 with a purchase price of approximately US\$575 million for the JO Chemical Tankers operations, which comprised of 13 chemical tankers and a 50% share in a joint venture with eight chemical tanker new buildings.



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"An excellent choice for Bermuda legal counsel", Conyers Dill & Pearman stands out for its expertise in advising on IPOs, M&A, insurance, securitisation, shipping and aircraft financing, and corporate restructuring.



"unrivalled experience and expertise in Bermuda...even competitors acknowledge the excellence of Conyers. There is no denying that Conyers has the broadest corporate practice and is the best-established law firm in the jurisdiction."



Bermuda Firm of the Year every year since 2006

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ONE OF OUR LAWYERS LISTED ABOVE.

About Conyers Dill & Pearman

Conyers Dill & Pearman is a leading international law firm advising on the laws of Bermuda, the British Virgin Islands, the Cayman Islands and Mauritius. Conyers has over 130 lawyers in eight offices worldwide and is affiliated with the Conyers Client Services group of companies which provide corporate administration, secretarial, trust and management services.