

# NEL ASA

## Application Agreement

### Private Placement

21 January 2020

Arctic Securities AS, tel. +47 22 93 72 42

Carnegie AS, tel. +47 22 00 93 40

SpareBank 1 Markets AS, tel. +47 24 14 74 70

#### General Information:

NEL ASA (the "**Company**"), a company incorporated under the laws of Norway with registration number 979 938 799, and with its shares listed on the Oslo Stock Exchange (the "**OSE**") with ticker code "NEL", intends to offer up to 89,000,000 new ordinary shares in the Company (representing approximately 7.3% of the shares outstanding prior to the Private Placement), each with a nominal value of NOK 0.20 (the "**Offer Shares**"), through a private placement (the "**Private Placement**") subject to approval by the Company's board of directors (the "**Board**") pursuant to an authorisation given by the Company's extraordinary general meeting held on 28 March 2019. The Company has appointed Arctic Securities AS, Carnegie AS and SpareBank 1 Markets AS as joint bookrunners (together the "**Managers**") for the Private Placement.

The net proceeds of the Private Placement will be used to: (i) strengthen investment in development and innovation across segments and technologies to stay on the technological forefront and to take advantage of the attractive hydrogen market opportunities; (ii) continue to develop the organization, both within engineering, project execution, production and process improvement; and (iii) strengthen the balance sheet and financial position to satisfy counterparty requirements on large scale projects (including, but not limited to, strengthen the Company's ability to (a) satisfy contractual obligations and (b) provide required bonds/guarantees). The net proceeds will also fund additional working capital in response to increased order volumes and contract sizes, as well as general corporate purposes.

The Private Placement is directed towards investors subject to applicable exemptions from relevant prospectus requirements and any other filing or registration requirements in relevant jurisdictions and subject to other selling restrictions included herein (including the Exhibits) (i) outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended, (the "**U.S. Securities Act**") and (ii) in the United States to "qualified institutional buyers" (QIBs) as defined in Rule 144A under the U.S. Securities Act as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934. Offers of Offer Shares to investors located within the European Economic Area (the "**EEA**") will exclusively be made in reliance on one or more exemptions from the requirement to publish an offering prospectus in accordance with the provisions of Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**"), as implemented in the relevant member states of the EEA. 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 subscription price per Offer Share (the "**Subscription Price**") will be determined by the Board in consultation with the Managers on the basis of a book building process by the Managers. The minimum application and allocation amount in the Private Placement will be a number of Offer Shares corresponding to the NOK equivalent of EUR 100,000, provided, however, that the Company may, at its sole discretion, offer and allocate an amount below EUR 100,000 to the extent applicable exemptions from the prospectus requirement pursuant to the Norwegian Securities Trading Act and ancillary regulations, or similar legislation in other jurisdictions, are available.

An application (the "**Application**") for Offer Shares in the Private Placement will be governed by the terms and conditions set out in this application agreement (including its Exhibits) (the "**Application Agreement**"), the term sheet dated 21 January 2020 (the "**Term Sheet**") and the company presentation dated 21 January 2020 (the "**Company Presentation**") (collectively, the "**Investor Documentation**"). By applying for Offer Shares, the applicant acknowledges to have 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 in the Investor Documentation and that the application and subscription are subject to the terms set out therein.

#### Subsequent Offering:

The applicant acknowledges that the Board, subject to completion of the Private Placement and all necessary corporate resolutions being made, will consider to conduct a subsequent offering of new shares in the Company (the "**Subsequent Offering**"), where shareholders in the Company as of close of trading on 21 January 2020 (and as registered in the Norwegian Central Securities Depository (Nw. "*Verdipapirsentralen*") ("**VPS**") on 23 January 2020) and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action will receive subscription rights based on their shareholding as of that date, however so that shareholders who were allocated shares in the Private Placement will not receive subscription rights and will not be eligible to participate in the Subsequent Offering, and that funds that are under management by the same company, group of companies, fund managers or similar may be treated as one shareholder when applying these limitations. Whether a Subsequent Offering will be carried out, and, if applicable, the terms thereof, including the specific participation criteria, will be determined by the Company in its sole discretion. If carried out, the subscription price in the Subsequent Offering will be equal to the subscription price in the Private Placement.

#### Application procedure:

Applications in the Private Placement will take place from 21 January 2020 at 16:30 hours CET until 22 January 2020 at 08:00 hours CET (the "**Application Period**"). The Company may, at its own discretion, resolve to close or to extend the Application Period at any time and for any reason. If the Application Period is extended, the other dates referred to herein may be extended 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 Application Agreement, 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 in the Private Placement. 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 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 their 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 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.

#### **Allocation of Offer Shares:**

Notification of allocation and payment instructions (the "**Notification**") will be sent to the applicant by the Managers on or about 22 January 2020, subject to the timing of the close of the Application Period. The allocation will be made at the discretion of the Board, in consultation with the Managers. The Board will focus on criteria such as (but not limited to), current ownership in the Company, timeliness of the application, relative order size, sector knowledge, perceived investor quality and investment horizon. No allocation will be made below the NOK equivalent of EUR 100,000, however so that the Company may, at its sole discretion, allocate an amount below EUR 100,000 to the extent applicable exemptions from relevant prospectus and registration requirement are available. 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. 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 to such applicant.

#### **Settlement:**

The date for settlement of the Private Placement is expected to be on or about 24 January 2020 (the "**Settlement Date**"), subject to any shortening or extensions of the Application Period and satisfaction of the Conditions (as defined below), and any further settlement 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. Subject to the satisfaction of the Conditions, the Allocated Shares will be delivered to the applicant's VPS account on a delivery versus payment basis on the Settlement Date.

The share capital increase pertaining to the Private Placement is expected to be registered by the Norwegian Register of Business Enterprises on or about 23 January 2020. The Managers will pre-pay the total subscription amount in the Private Placement in order to facilitate delivery-vs-payment settlement, however, the Allocated Shares will not be delivered to, and tradable by, the relevant applicant before such registration has taken place.

#### **Conditionality and cancellation:**

Completion of the offering of the Offer Shares in the Private Placement is subject to (i) approval by the Board of Directors pursuant to an authorisation to increase the share capital granted by the Company's extraordinary general meeting held 28 March 2019, (ii) the Company resolving to consummate the Private Placement and allocate the Offer Shares and (iii) payment for the Offer Shares and registration of the share capital increase in the Company pertaining to the Private Placement with the Norwegian Register of Business Enterprises (Nw. "*Foretaksregisteret*"). Items (i) through (iii) are referred to as the "**Conditions**".

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.

#### **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 (as defined in Exhibit I). 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:**

NOT FOR DISTRIBUTION IN THE UNITED STATES OTHER THAN TO A LIMITED NUMBER OF "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A UNDER THE US SECURITIES ACT OF 1933, WHO ARE MAJOR U.S. INSTITUTIONAL INVESTORS UNDER SEC RULE 15A-6 UNDER THE US SECURITIES ACT OF 1934

By making an Application, the applicant confirms and accepts that:

- (a) an investment in the Offer Shares entails significant risks;
- (b) 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;
- (c) 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;
- (d) it 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 other public announcements, 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;
- (e) 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 its respective affiliates;
- (f) it accepts that 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;
- (g) no prospectus has been prepared in connection with the Private Placement, and that the level of information available to it therefore is more limited than what would otherwise be the case;
- (h) no due diligence review or other verification exercises have been performed by or on behalf of the Managers in connection with the Private Placement; and
- (i) 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;
- (j) it is aware that a prospectus prepared in accordance with the Prospectus Regulation will be published by the Company if the Company completes the offering and listing of new shares in the Subsequent Offering, 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; and
- (k) the Company may seek additional equity financing through private placements, rights issues, or other types of offerings and, in particular, the Company will consider to carry out the Subsequent Offering, and any such issue of shares may dilute the applicant's relative ownership in the Company.

**Confidentiality:**

The offer to apply for and subscribe 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 the Investor Documentation 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 exception of disclosure to applicable authorities as required by law. The applicant acknowledges that knowledge of the contemplated Private Placement, as well as knowledge of the contemplated Subsequent Offering, or any information related thereto may, before publicly announced, constitute inside information and, to such extent, agrees to adhere to the restrictions set out in chapter 3 of the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "**Norwegian Securities Trading Act**") relating to inside information and acknowledges that a violation of such legislation is a criminal offence.

*[specification of application to follow on the next page]*

## SPECIFICATION OF APPLICATION

Please specify the number of Offer Shares or NOK amount 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 Offer Share:	Number of Offer 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 Offer Shares or a NOK 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 subscribe for Offer Shares as stated above. The applicant further confirms that (i) the applicant has received and read the Investor Documentation, (ii) the investment in the Offer Shares is made solely at the applicant’s own risk, (iii) 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, (iv) the applicant has read and understood, and accepts to be bound by, the entire Investor Documentation, (v) the applicant irrevocably authorises each of the Managers, or someone appointed by them, each acting alone, to subscribe for any Offer Shares allocated to the undersigned applicant, (vi) the Managers have not engaged any external advisors to carry out any due diligence investigations (legal, financial or technical) and (vii) the Managers have not taken any steps to verify that the information in the Investor Documentation other than obtaining certain customary written confirmations from the Company and its representatives, including a declaration of completeness signed by the Company whereby the Company has confirmed, to the best of its knowledge, that the Investor Documentation in all material respects is correct and that there are no material omissions. The applicant as a subscriber of the Offer Shares acknowledges and accepts that its ability to make to make claims against the Company after registration of the share capital increase with the Norwegian Register of Business Enterprises is severely limited by law.

### 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”)*	
Nationality	
E-mail address	
Daytime telephone number	
Affiliates** holding shares in the Company	

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\* 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.

\*\* The term "Affiliates" means any entity that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, the applicant (for the purposes of this definition, control means that the relevant entity directly or indirectly owns shares, parts or similar rights representing more than 50% of the voting rights of the other entity).

**Additional Terms and Conditions of Application****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 or where this would require registration, publication of a prospectus or similar action.

**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 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.

**Regulatory issues:** In accordance with the Norwegian Securities Trading Act, the Managers 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 Managers.

**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 Applicant has several legal rights. This includes i.a. the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the Applicant will have the right to impose restrictions on the processing or demand

that the information is deleted. The Applicant may also complain to a supervisory authority if it finds that the Managers' processing is in breach of the law. Supplementary information on processing of personal data and the Applicant's rights can be found at the Managers' websites.

**Information exchange and barriers:** The applicant acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Commercial Banks Act there is a duty of secrecy between the different units of the Managers as well as between the Managers and the other entities in the Managers' group. This may entail that other employees of the Managers or the Managers' group may have information that may be relevant to the applicant, but which the Managers will not have access to in its capacity as Managers for the Private Placement. The Managers are further part of an investment 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 investment 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 applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulation of 14 September 2018 no. 1324 (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 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.

**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 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, 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 Application Agreement 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; 9.50% 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 Offer Shares allocated to such applicant will not be delivered to the applicant. In order to enable timely registration of the share capital increase pertaining to the Private Placement with the Norwegian Register of Business Enterprises, the Company reserves the right to make arrangements for advance of payment on behalf of applicants who have not made payment of the Offer Shares when payment is due, by a person other than the applicant (a "Payment Guarantor") pursuant to Section 10-12 of the Norwegian Public Limited Companies Act (the "NPLCA"). To the extent such payment is made on behalf of a non-paying applicant, the Offer Shares allocated to the non-paying applicant shall be provisionally registered in a separate account with the VPS, in anticipation of settlement by the non-paying applicant. If the non-paying applicant has not made payment within three days after payment is due, the Payment Guarantor may either assume ownership of the Offer Shares allocated to the non-paying applicant by notifying the Company, or sell such Offer Shares for the non-paying applicants account and risk without further notice to the applicant in question in accordance with Section 10-12 of the NPLCA. The non-paying applicant will be liable for any loss, cost and expenses suffered or incurred by the Company and/or the Payment Guarantor 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 Payment Guarantor 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 in so far as stipulated herein.

**Governing law:** Norwegian law governs the Application Agreement, the Private Placement and the Offer Shares. Any disputes regarding this Application Agreement, the Private Placement or the Offer Shares 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 City Court.

**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 is a “qualified institutional buyer” (“**QIB**”) as defined under Rule 144A under the U.S. 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 U.S. 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 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;
- (v) 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;
- (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 its entire investment. 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 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;
- (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, 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;
- (ix) 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
- (x) 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.

The Applicant further understands and agrees that it will acquire the Allotted Offer Shares from Arctic Securities LLC., Carnegie Inc. or SpareBank 1 Capital Markets Inc.

\_\_\_\_\_  
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.**