
COMMON DRAFT TERMS OF CROSS- BORDER MERGER

FOR THE CROSS BORDER MERGER BETWEEN

PERITUS CAPITAL LIMITED

AS THE COMPANY CEASING TO EXIST

and

ALDEN 2 AS

AS THE ACQUIRING COMPANY

9 JULY 2014

1 BACKGROUND AND PURPOSE OF THE MERGER

- 1.1 The board of directors of Peritus Capital Limited, having its registered address at 171 Old Bakery Street, Valletta VLT 1455, Malta, and Maltese registration number C37689 ("Peritus") and Alden 2 AS, having its principle business address in Haakon VII Gate 6, 0161 Oslo, Norway, and Norwegian business registration number 913 269 586 ("Alden 2") (Peritus and Alden 2 are hereinafter sometimes referred to as the "Merging Companies") have today agreed to propose to their respective general meetings a cross border merger of Peritus directly into Alden 2 (the "Merger"), whereas Peritus will transfer all its assets, liabilities and obligations to Alden 2 and the shareholder in Peritus will receive shares in Alden 2 as consideration. The shares will be issued through a share capital increase in Alden 2. As a result of the Merger, Peritus shall cease to exist. The proposal is based on these Common Terms of Cross-Border Merger (the "Common Terms of Cross-Border Merger").
- 1.2 Peritus Capital Limited was incorporated in Malta on the 27th of December 2005. On the 28th of December 2011 the general meeting decided to move the management and board of directors to Norway and the company's tax residency was changed to Norway. As Peritus is managed from Norway, and as Peritus does not carry out any activity on Malta, the shareholder wishes to transfer all the assets, rights and obligations of Peritus to Norway and, as a result of the Merger, Peritus will cease to exist.
- 1.3 The Merger will be carried out in accordance with the Norwegian Public Limited Liability Companies Act (the "NPLCA") Section 13-25 et seq. (the "Norwegian Regulations") and with the Cross-Border Mergers of Limited Liability Companies Regulations, 2007, (S.L.386.12 of the Laws of Malta) (the "Maltese Regulations").

2 MERGER

- 2.1 Peritus and Alden 2, are merged by way of
- (i) a transfer of all of Peritus' assets, rights and obligations to Alden 2 and;
 - (iii) a share capital reduction and a share capital increase in Alden 2 towards Edvin Austbø, holder of 100 % of the shares in Peritus, as consideration for the transfer of assets, rights and obligations from Peritus. No cash payment will be made to Edvin Austbø.

Following the Merger, Alden 2 will be the owner of all the assets, rights and obligations of Peritus. Peritus will cease to exist as a result of the Merger.

3 EXCHANGE RATIO OF SHARES AND ALLOCATION OF SHARE CAPITAL AND MERGER CONSIDERATION

- 3.1 Alden 2 has a share capital of NOK 30,000 on the signing date of the Common Draft Terms of Merger. With effect from the date when the Merger has legal effect, the existing share capital will be reduced to zero, by redeeming the existing shares. The new shares that will be issued in relation to the Merger will thus constitute 100 % of the share capital in Alden 2. A confirmation from the auditor of Alden 2, confirming that Alden 2's assets are sufficient to

cover the tied up equity capital, will be attached to the notice of the extraordinary general meeting of the shareholders of Alden 2, cf. the Norwegian Private Limited Liability Act Section 12-2 (2) last sentence.

- 3.2 The share capital reduction will take effect without creditor notice, as the share capital reduction is made at the same point in time as the share capital issue, cf. the Norwegian Private Limited Liability Act Section 12-5 (2).
- 3.3 The assets, rights and obligations to be transferred from Peritus to Alden 2 pursuant to these Common Draft Terms of Merger are transferred based on book values and the board of directors of Alden 2 has on this background concluded that the share capital of Alden 2 shall be increased by NOK 28,738,860.
- 3.4 As consideration for the Merger, the shareholder of Peritus shall receive a total of 478,565 shares in Alden 2, each with a par value of NOK 2 (the "New Shares"). For each redeemed share in Peritus, Edvin Austbø will receive 1 share in Alden 2. The New Shares in Alden 2 give full shareholder rights from the time of completion of the Merger in accordance with section 6.1 below.
- 3.5 Any amount representing the book value of the net assets of Peritus received by Alden 2 as a result of the cross-border merger which exceeds the nominal value of the New Shares shall be credited to Alden's share premium account.
- 3.6 Edvin Austbø shall be entitled to its share in the profits of Alden 2 deriving from the New Shares as from the effective date of the completion of the Merger.

4 INDEPENDENT EXPERTS' REPORT

- 4.1 In accordance with Regulation 9(5) of the Maltese Regulations, the shareholders of each of the Merging Companies have agreed that the Merging Companies shall not be required to appoint independent experts to examine and draft a report on the Common Draft Terms of Cross-Border Merger.

5 TYPE OF LEGAL ENTITY, NAME AND REGISTERED ADDRESS FOR THE MERGED COMPANY

- 5.1 Alden 2 will remain a Norwegian limited liability company, with the same name and the same registered address after the Merger has been completed.

6 ACCOUNTING AND TAX TREATMENT

- 6.1 All the assets, rights and obligations of Peritus shall be considered transferred from Peritus to Alden 2 with legal effect from the time of registration of completion of the Merger in accordance with the NPLCA Section 13-32, ref. Section 13-33 ("Completion"). The parties assume that this will occur on or about 1 December 2014.

- 6.2 The Merger shall for accounting purposes have effect from 1 January 2014. Draft opening balance sheet for Alden 2, where the transferred assets, rights and obligations have been recorded, is attached as Appendix 1. The auditor's confirmation of the draft opening balance sheet is attached in Appendix 2.
- 6.3 The last financial year of Peritus will end on the Completion Date.
- 6.4 Edvin Austbø is the holder of 100 % of the shares in both Peritus and Alden 2. Following Completion, Edvin Austbø will remain the holder of 100% of the shares in Alden 2. The Merger will not result in any changes to the ownership of the shares. On this background the Merger shall be completed based on the accounting principle of continuity, which means that the book value of the assets, rights and liabilities transferred as contribution in kind into Alden 2, is recorded in Alden 2's balance sheet unchanged.
- 6.5 The annual accounts, annual report and auditor's report for Peritus for 2013, 2012 and 2011 are attached in Appendix 3. Alden 2 was incorporated on 31 January 2014, thus no annual accounts, annual reports or auditor reports have been prepared.
- 6.6 The Merger shall for tax purposes have effect from the time of completion in accordance with the NPLCA, cf. NTA Section 11-10 (3).
- 6.7 The annual accounts for Peritus per 31 December 2013 have been used as the basis for determining the terms set out in this Merger Plan. Alden 2 was established in January 2014, and there are no annual accounts for this company.

7 REGISTRATION AND EXTRAORDINARY GENERAL MEETING RESOLUTIONS

- 7.1 Peritus and Alden 2 shall register the Merger Plan with the Norwegian Register of Business Enterprises ("NRBE") as soon as practically possible following approval by the respective boards of directors.
- 7.2 The extraordinary general meetings of Peritus and Alden 2 shall consider and approve the Common Draft Terms of Merger on or about 15 August 2014, which shall be at least one month following the electronic publication of the Merger Plan in the NRBE, cf. section 7.1 above and at least one month following the publication of the merger statement by the Maltese Registry of Companies in the Government Gazette or on its website.
- 7.3 The boards' proposals for general meeting resolutions, including change to the share capital and the articles of association in Alden 2, are included in Appendix 4. The report by the board of directors of Alden 2 regarding the contribution in kind, and the auditor's confirmation thereof (cf. NPLCA Section 2-6) is attached in Appendix 5. The parties' current articles of association are attached in Appendix 6, and the proposed post-Completion articles of association for Alden 2 are attached in Appendix 7.
- 7.4 The board of directors of Peritus and Alden 2 shall procure that the general meeting resolutions are registered in the NRBE as soon as practically possible following the date of approval, cf. the NPLCA Section 13-14, in order to start the creditor notice period. In no event shall such notification to the NRBE be sent later than one month following the date of the general meeting.

- 7.5 The board of directors of Peritus and Alden 2 shall procure that the extraordinary resolutions approving the cross-border merger, together with the Final Draft Terms of Merger and the Merger Instrument are delivered to the Registry of Companies.
- 7.6 After the expiry of the creditor notice period, the board of directors of Alden 2 shall notify the NRBE regarding completion of the Merger, and the Norwegian Business Register shall issue a merger certificate, cf. the NPLCA Section 13-31. Simultaneously, after the expiry of the creditor notice period and assuming that no creditors have objected to the Merger during this period, the Maltese Registry of Companies will issue a Cross-Border Pre-Merger Certificate. Subsequently, the board of directors of Alden 2 shall register the completion of the Merger in the NRBE, which notifies the Maltese Registry of Companies of the completion of the Merger, cf. the NPLCA Section 13-32. The Maltese Registry of Companies will publish a notice in relation to the effective date of the merger in the Government Gazette or on its website and will subsequently strike Peritus off the Maltese Companies Register.

8 IMPACT ON THE EMPLOYEES AND BUSINESS OPERATIONS

- 8.1 Peritus and Alden 2 do not have any employees.
- 8.2 The Merger will not have any effect on the business operations of the Merging Companies.

9 CONDITIONS TO COMPLETION OF THE MERGER

- 9.1 Completion of the Merger is subject to the following conditions being satisfied or waived (as applicable):
- i. Registration of the Common Draft Terms of Merger by the Maltese Registry of Companies in the Government Gazette or on its website;
 - ii. The extraordinary general meeting of Peritus having approved the Merger materially on the terms set out in Appendix 4;
 - iii. The extraordinary general meeting of Alden 2 having approved the Merger materially on the terms set out in Appendix 4;
 - iv. Registration by the Maltese Registry of Companies of the Final Terms of Merger, extraordinary resolution and Instrument of Merger and publication by the Maltese Registry of Companies of a statement in the Government Gazette or on its website and in a daily newspaper;
 - v. The six weeks' creditor notice period in NPLCA section 13-15 having expired, without any creditor objections, or any such objections having been settled or secured;
 - vi. The three months' creditor notice period established in the Maltese Regulations having expired, without any creditor objections, or any such objections having been settled or secured;
 - vii. Registration by Alden 2 of the completion of the Merger in accordance with the NPLCA Section 13-32; and

- 9.2 The parties undertake not to resolve, initiate or implement any material investments, changes in the respective companies' business operations, changes in share capital, payments of dividends or other distributions or similar actions in the period from the date of these Common Draft Terms of Merger and up to Completion, other than as set out in these Common Draft Terms of Merger.

10 SPECIAL CONDITIONS AND RIGHTS

- 10.1 Other than following from chapter 4 of the Norwegian Private Limited Liability Companies Act, there are no particular requirements for being registered as shareholder in Alden 2, and no special conditions for exercising shareholders rights. Edvin Austbø will have full shareholder rights related to the new shares in Alden 2 from the time of Completion.
- 10.2 No special rights (cf. NPLCA Section 13-6 (1) no. 5) or subscription rights (cf. NPLCA Sections 11-1, 11-10 and 11-12) exist for the shareholder in Peritus, and no such rights will be established in Alden 2 in connection with the Merger.
- 10.3 No special rights or measures within the meaning of Regulation 6(g) of the Maltese Regulations are granted to the holders of shares, subscription rights and other securities of the Acquiring Company.
- 10.4 As the shareholders of each of Peritus and Alden 2 have agreed that the Merging Companies shall not be required to appoint independent experts to examine and draft a report on the Common Draft Terms of Cross Border Merger, no special rights are being granted to experts to act on behalf of the Merging Companies.
- 10.5 None of the board members or CEO's of the Merging Companies will have any special rights or benefits in connection with the Merger, cf. NPLCA Section 13-6 (1) no. 6. Consequently, Regulation 6(h) of the Maltese Regulations does not apply.

11 INDICATION OF THE ARRANGEMENTS MADE FOR THE EXERCISE OF THE RIGHTS OF CREDITORS AND OF ANY MINORITY SHAREHOLDERS

- 11.1 Neither Peritus nor Alden 2 are required to make any special arrangements for the exercise of the rights of creditors and/or minority shareholders.

12 ARTICLES OF ASSOCIATION OF THE COMPANY

- 12.1 The Articles of Association, specifically, article 4 of the Acquiring Company will be amended to reflect the increase in share capital. Except for this amendment, the Articles of Association will remain the same.
- 12.2 A copy of the current Articles of Association as filed at the Registry of Companies in Norway, as well as a copy of the Articles of Association as they will apply after the merger is attached to these Common Draft Terms of Cross-Border Merger as Appendices 6 and 7 including a certified transaction into English.

13 VALUATION OF ASSETS AND LIABILITIES OF THE COMPANY CEASING TO EXIST WHICH WILL BE TRANSFERRED TO THE ACQUIRING COMPANY

The valuation of the relevant assets and liabilities of Peritus which will be received by Alden AS as a result of the cross-border merger was last done on 2 February 2014 on the basis of the 2013 audited financial statements of Peritus. The accounting policies applied are set out in those audited financial statements and are compliant with generally accepted accounting principles in Malta.

14 DATE OF THE MERGING COMPANIES' ACCOUNTS USED TO ESTABLISH THE CONDITIONS OF THE CROSS-BORDER MERGER

- 14.1 The date of the most recently adopted accounts of the Merging Companies used to establish the conditions of the cross border merger is:

The Acquiring Company was established in 2014, and there are no annual accounts adopted.

Company Ceasing to Exist:

Annual accounts per 31 December 2013, dated 26 June 2014.

15 AMENDMENTS TO THE COMMON DRAFT TERMS OF CROSS-BORDER MERGER

- 15.1 Subject to the mandatory provisions of Maltese and Norwegian law, the board of directors of Peritus and Alden 2 may on behalf of their respective general meetings carry out minor adjustments, amendments and corrections to the Common Draft Terms of Cross-Border Merger if required or appropriate in the boards' sole discretion.

16 COSTS

- 16.1 Each of Peritus and Alden 2 shall carry their own costs in connection with the Merger and this Common Draft Terms of Cross-Border Merger. Costs that are not directly attributable to one of the parties shall be carried by Alden 2 AS.

17 GOVERNING LAW

17.1 This Merger Plan shall be governed by Norwegian law to the extent not governed by mandatory Maltese law provisions.

18 APPENDICES

18.1 These Common Draft Terms of Merger includes the following appendices:

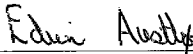
- Appendix 1 Draft opening balance sheet
- Appendix 2 Auditor's confirmation of the draft opening balance sheet
- Appendix 3 Annual accounts, annual reports and auditor's reports for Peritus Capital Limited for the last three accounting years
- Appendix 4 Proposed general meeting resolutions
- Appendix 5 Alden 2 AS board report and auditor's confirmation, cf. NPLCA section 2-6
- Appendix 76 Current articles of association for Peritus Capital Limited and Alden 2
- Appendix 7 Post Completion articles of association for Alden 2 AS

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[Signature page to follow]

Oslo, 9 July 2014

The sole director of Peritus Capital Limited:



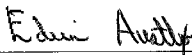
Edvin Austbø,
Sole Director

**The Company Secretary of
Peritus Capital Limited:**



Claire
Valletta
Giordano

The board of directors of Alden 2 AS:



Edvin Austbø,
chairman of the board