



MøllerGruppen AS FRN Open Bond Issue 2014/2019

Terms:

Documentation:

The Loan Agreement ¹⁾ is described more closely in Standard Terms

Before investing in the bond, the investor is encouraged to become familiar with relevant documents such as this term sheet, the Loan Agreement and the Issuer's financial accounts and articles of association and if relevant, listing document. The documents are available from the Issuer and in Relevant Places. In the case of any discrepancies between the Loan Agreement and this term sheet, the Loan Agreement will apply.

Relevant Places:

www.moller.no and www.dnb.no

Issuer/Borrower:

MøllerGruppen AS

Parent:

Aars AS (reg. no 993 853 712)

Guarantors:

The Subsidiaries of the Issuer in accordance with Guarantor Coverage.

Obligor:

The Issuer og Guarantor

Borrowing Limit – Tap Issue:

NOK 600,000,000

First Tranche / Loan Amount : ²⁾

NOK 400,000,000

Disbursement Date: ³⁾

26 November 2014

Maturity Date: ⁴⁾

26 November 2019

NIBOR: ⁵⁾

3 months NIBOR

Margin:

+ 0.80 % p.a.

Coupon Rate: ⁶⁾

NIBOR + Margin

Day Count Fraction– Coupon:

Act/360

Date of interest adjustment: ^{7) 9)}

Interest Payment Date

Business Day Convention: ⁸⁾

Modified Following

Interest Payment Date: ⁹⁾

26 February, 26 May, 26 August and 26 November each year.

Interest accrual date (from and including):

Disbursement date

Final coupon date (to):

Maturity Date

days first term:

92 days

Status of the Loan ¹⁰⁾

The Bonds shall constitute senior obligations of the Issuer. The bonds are unsecured, save for the Guarantees.

Issue Price: ¹¹⁾

100.00 (par)

Denomination:

NOK 1,000,000

Bondholder's put option: ¹²⁾

Redemption Date(s):	N/A	Price:	N/A
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Issuer's call option: ¹³⁾

Redemption Date(s):	N/A	Price:	N/A
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Issuer's org. number: 984 599 730
Number / Codes: **Sector Code :** 2100 **Geographic code:** 0301 **Industry (trade) Code:** 45200

Usage of funds: The purpose of the Issue is general corporate purposes of the Issuer

Approvals / Permissions:

- The Bond Issue has been issued in accordance with the Issuer's Board approval dated 31 October 2014.
- Oslo Børs will inspect the listing documents prior to listing.

Trustee / Bondholders' Representative: Nordic Trustee ASA, Postboks 1470 Vika, 0116 Oslo, Norway.

Arranger(s): DNB Bank ASA, DNB Markets, Dronning Eufemias gate 30, N-0191 Oslo, Norway and Nordea Bank Norge ASA, Nordea Markets, P O Box 1166 Sentrum, Norway

Paying Agent: DNB Bank ASA, Registrars Department

Securities Depository: The Norwegian Central Securities Depository (VPS). Principal and interest accrued will be credited the Bondholders through VPS.

Market making: No market-maker agreement has been made for this Issue.

Special (distinct) conditions:

Change of Control

Upon a Change of Control Event occurring, each Bondholder shall have a right to require that the Issuer redeems its Bonds (**Put Option**) at a price of 101% of par value (plus accrued interest).

See Loan Agreement clause 3.8 Payments.

Change of Control Event

Change of Control Event means if the Parent ceases to control more than 50 % of the outstanding shares and/or voting capital of the Issuer.

Covenants

See Loan Agreement clause 3.5 General covenants, clause 3.6 Financial covenants.

Negative pledge

- a) No Obligor may (and the Issuer must ensure that no Material Subsidiary will) create or permit to subsist any Security over any of its assets.
- b) No Obligor may (and the Issuer must ensure that no Material Subsidiary will):
 - i. sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Issuer or any member of the Group;
 - ii. sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - iii. enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - iv. enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of assets.

Paragraph a) and b) above does not apply to:

- (i) any Security comprising a netting or set-off arrangement entered into by any member of the Group in the ordinary course its banking arrangements for the purpose of netting debit and credit balances;

- (ii) any lien arising by operation of law and in the ordinary course of business;
- (iii) any Security over or affecting any asset or company acquired by the Issuer or a Material Subsidiary after the date of the Bond Agreement if: (A) the Security was not created in contemplation of the acquisition of that asset or company, (B) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset or company; and (C) the Security is removed or discharged within six (6) months of the date of acquisition of such asset or that company becoming a member of the Group;
- (iv) any retention of title, extended retention of title, conditional sale or equivalent arrangement in respect of goods or services supplied to the Issuer or a Material Subsidiary in the ordinary course of business and on arm's length terms pursuant to the standard terms of such supplier and provided that such retention of title, conditionally or similar is removed or discharged within three (3) months of goods or services being supplied to the Issuer or that Material Subsidiary;
- (v) any Security securing indebtedness the principal amount of which (when aggregated with the principal amount of any other indebtedness which has the benefit of Security given by the Issuer or any Material Subsidiary other than any permitted under paragraphs (i) to (iv) above) does not exceed NOK 500,000,000 (or its equivalent in another currency or currencies).

See Loan Agreement clause 1 for definitions.

Supplementary information about the status of the loan: ¹⁰⁾

The bonds shall constitute senior debt obligations of the Issuer. The bonds shall rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt. The bonds are unsecured, save for the Guarantees.

The bonds are secured by the Guarantees (No. selvskyldnergaranti) granted by the Guarantors hereunder. Companies defined as Guarantors at the date of the Bond Agreement are listed in Schedule 2 (Guarantors) to the Loan Agreement.

See Loan Agreement clause 3.11 Guarantee and indemnity

Standard Terms: *If any discrepancy should occur between this Loan Description and the Loan Agreement, then the Loan Agreement will apply.*

Loan Agreement: ¹⁾ The Loan Agreement will be entered into between the Issuer and the Trustee prior to Disbursement Date. The Loan Agreement regulates the Bondholder's rights and obligations in relations with the Issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Loan Agreement.

When bonds are subscribed/purchased, the Bondholder has accepted the Loan Agreement and is bound by the terms of the Loan Agreement. If subscription is made prior to finalisation of the Loan Agreement, the subscriber is deemed to have granted authority to the Trustee to finalise the Loan Agreement. For tap issues, the Loan Agreement will apply for later issues made within the Borrowing Limit. The parties' rights and obligations are also valid for subsequent issued bonds within the Borrowing Limit.

Open / Close: ³⁾⁴⁾ Tap Issues will be opened on Disbursement Date and closed no later than five banking days before Maturity Date.

Disbursement Date: ³⁾ Payment of the First Tranche / Loan Amount takes place on the Disbursement Date. In case of late payment, the applicable default interest rate according to "lov 17. desember 1976 nr 100 om renter ved forsinket betaling m.m." will accrue.

Expansions – Tap Issues: ²⁾	For Tap Issues the Issuer can increase the loan above the First Tranche/Loan Amount, before the initial Disbursement Date. For taps not falling on Interest Payment Dates, Accrued Interest will be calculated using standard market practice in the secondary bond market. The Issuer may apply for an increase of the Borrowing Limit.
Issue price – Tap Issues: ¹¹⁾	Any taps under the Tap Issue will be made at market prices.
Interest Determination Date: ⁷⁾	2 Business Days prior to Date of Interest Payment Date
Interest Determination: ⁶⁾⁷⁾	The regulation of the Interest Rate is effective from each Interest Payment Date. The new interest rate is determined on Interest Determination Date based on NIBOR with additional margin.
NIBOR – definition: ⁵⁾	“NIBOR” means the interest rate which (a) is published on Oslo Børs’ webpage (or through another system or on another website replacing the said system or website respectively) approximately 12.15 (on days on which the Norwegian money market has shorter opening hours (New Year’s Eve and the Wednesday before Maundy Thursday), the data published by the banks at 10 a.m. shall be used), or, if such publication does not exist, (b) at that time corresponds to (i) the average of the quoted lending rates of Norwegian commercial banks on the interbank market in Oslo or, if only one or no such quotes are provided, (ii) the assessment of the Bond Trustee of the interest rate, which in the Bond Trustee’s determination is equal to what is offered by Norwegian commercial banks, for the applicable period in the Oslo interbank market. If any such rate is below zero, NIBOR will be deemed to be zero.
Yield:	Dependent on the market price. Yield for the first Interest Period will be notified 2 Banking Days prior to Disbursement Date.
Interest Period: ⁹⁾⁷⁾	The interest is paid in arrears on the Interest Payment Date. The first interest period matures on the first Interest Payment Date after the Disbursement Date. The next period runs from this date until the next Interest Payment Date. The last period of interest ends on Maturity Date.
Accrued interest:	Accrued Interest for trades in the secondary bond market are calculated on the basis of current recommendations of Norsk Finansanalytikerforening.
Standard Business Day Convention: ⁸⁾	Modified Following: If the Interest Payment Date is not a banking day, the Interest Payment Date shall be postponed to the next banking day. However, if this day falls in the following calendar month, the Interest Payment Date is moved to the first banking day preceding the original date.
Condition – Bondholder’s put option: ¹²⁾	On Redemption Date the Bondholders have a right to redeem the bonds at the Corresponding Price. Claim of redemption must be received by the account operator investor in writing no later than 15 banking days prior to the Redemption Date in question, as mentioned under The Bondholders Put Option.
Condition – Issuer’s call option: ¹³⁾	On Redemption Date, the Issuer has a right to redeem the bonds, completely or partly by drawing lots at the Corresponding Price. If the Issuer makes use of this right to redemption, the Issuer shall notify the Trustee, Bondholders and Nordic ABM regarding this matter no later than 30 banking days prior to the Redemption Date in question. The notification shall also be forwarded to the Bondholders through the Securities Depository as soon as possible.
Registration:	The loan must prior to disbursement be registered in the Securities Depository. The bonds are being registered on each Bondholders account in the Securities Depository.
Issuer’s acquisition of bonds:	The issuer has the right to acquire and own the bonds. Such bonds may at the Issuer’s discretion be retained by the Issuer, sold or used for partial redemption.
Amortisation: ⁴⁾	The bonds will run without instalments and be repaid in full on Maturity Date at par, provided the Issuer has not called the bonds.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.

Sale: Tranche 1/ Loan Amount has been sold by the Arranger(s). Later taps can be made by authorized securities brokers.

Legislation: Disputes arising from or in connection with the Loan Agreement, which are not resolved amicably, shall be resolved in accordance with Norwegian law and the Norwegian courts. Legal suits shall be served at the Trustee's competent legal venue.

Fees and expenses: The Issuer shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.

Oslo, 27 November 2014

