



FRN Austevoll Seafood ASA Bond Issue 2010/2013

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.auss.no

Issuer/Borrower:

Austevoll Seafood ASA

Borrowing Limit – Tap Issue:

N/A

First Tranche / Loan Amount : ²⁾

NOK 500 million

Disbursement Date: ³⁾

14 October 2010

Maturity Date: ⁴⁾

14 October 2013

NIBOR: ⁵⁾

3 months NIBOR

Margin:

3.90 % p.a.

Coupon Rate: ⁶⁾

NIBOR + 3.90 % p.a.

Day Count Fraction– Coupon:

Actual/ 360

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

14 January, 14 April, 14 July and 14 October each year (interest payment date)

Business Day Convention: ⁸⁾

Modified following

Interest Payment Date: ⁹⁾

Each Interest Adjustment Date

Interest accrual date (from and including):

Disbursement Date

Final coupon date (to):

Maturity Date

days first term:

92 days

Status of the Loan ¹⁰⁾

Senior Unsecured

Issue Price: ¹¹⁾

100.00 %

Denomination:

NOK 500,000

Bondholder's put option: ¹²⁾

Redemption Date(s):	See ' Special (distinct) conditions for further details	Price:	N/A
----------------------------	---	---------------	-----

Issuer's call option: ¹³⁾

Redemption Date(s):	N/A	Price:	N/A
----------------------------	-----	---------------	-----

Issuer's org. number: 929.975.200

Number / Codes:	Sector Code :	Code	Geographic code:	Code	Industry (trade) Code:	Code
	N/A		N/A		N/A	

Usage of funds: General corporate purposes

Approvals / Permissions:

The bonds have been issued in accordance with the Issuer's Board approval dated 7 October 2010.

Oslo Børs will inspect the relevant documents prior to listing.

Trustee / Bondholders'

Norsk Tillitsmann ASA, Postboks 1470 Vika, 0116 Oslo

Representative:

Arranger(s): DnB NOR Markets and Pareto Securities

Paying Agent: DnB NOR Bank ASA, Registrars Department

Securities Depository: The Norwegian Central Securities Depository (VPS)

Market making: There is no market making agreement entered into in connection with the Loan.

Special (distinct) conditions:

Dividend:

The Issuer shall not within a calendar year declare or make any dividend payments or other distributions or loans to its shareholders – whether in cash or in kind – including without limitation repurchase of shares, any total return swaps or instruments with similar effect and reductions in its share capital or equity (but always distributions of bonus shares not affecting its equity) that constitute more than 40 per cent of (on a consolidated basis) the Issuer's net profit after taxes for the previous financial year. For the avoidance of doubt, figures included in this clause in the Bond Agreement are on a consolidated basis for the Issuer's Group. Any un-utilized portion of the permitted distribution may not be carried forward.

Mergers:

All such transactions shall comply with all applicable mandatory provisions of applicable corporate law applicable to such transactions, including, in respect of Norwegian companies, Section 3-8 of the Private and Public Limited Companies Act 1997

The Issuer shall not, and shall ensure that no Group Company shall, carry out any merger or other business combination or corporate reorganization involving consolidating the assets and obligations of the Issuer or any of the Subsidiaries with any other companies or entities if such transaction would have a Material Adverse Effect. The Issuer shall notify the Bond Trustee in accordance with clause 13.2.1 (f) in the Bond Agreement, as well as, if applicable, its reason for believing that the proposed transaction would not have a Material Adverse Effect.

De-mergers:

The Issuer shall not, and shall ensure that no Group Company shall, carry out any de-merger or other corporate reorganization involving splitting the Issuer into two or more separate companies or entities, if such transaction would have a Material Adverse Effect. The Issuer shall notify the Bond Trustee in accordance with clause 13.2.1 (f) in the Bond Agreement, as well as, if applicable, its reason for believing that the proposed transaction would not have a Material Adverse Effect.

Pari passu ranking:

The Issuer's obligations under the Bond Agreement and any other finance document shall at all times rank at least pari passu with the claims of all its other unsubordinated creditors save for those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application.

Equity Covenants:

The Issuer shall maintain at any time an Equity Ratio of minimum 0.25, calculated each Quarter Date.

The Issuer shall maintain at any time a value of the Equity of minimum NOK 2,000 million,, calculated each Quarter Date.

Corporate and operational matters – arms' length transaction

a) Intra-Group transactions

All transactions between any companies in the Group shall be on commercial terms, and shall comply with all applicable provisions of applicable corporate law applicable to such transactions, including, in respect of Norwegians companies, Section 3-9 of the Private or Public Limited Companies Act 1997.

b) Transactions with shareholders, directors and affiliated companies

The Issuer shall cause all transactions between any Group Company and i) any shareholder hereof not part of the Group, ii) any director or senior member of the management in any Group Company, iii) any company in which any Group Company holds more than 10 per cent of the shares, or (iv) or any company, person or entity controlled by or affiliated with any of the foregoing, to be entered on commercial terms, not less favourable to the Group Company than would have prevailed in arms' length transaction with a third party. All such transactions shall comply with all applicable mandatory provisions of applicable corporate law applicable to such transactions, including, in respect of Norwegians companies, Section 3-8 of the Private

and Public Limited Companies Act 1997.

Change of Control clause:

Upon the occurrence of a Change of Control each Bondholder shall have a right of pre-payment (Put Option) of the Bonds at a price of 100 % of par plus accrued interest. The Put Option must be exercised within 60 days after the Issuer has given notification as set out in Clause 10.2.2 in the Bond Agreement.

Change of control means any person or group other than Laco AS (reg no 937 305 354) (as such term is defined in the Norwegian Limited Companies Act § 1-3) becomes the owner, directly or indirectly, of more than 50 % of the outstanding shares of the Issuer.

Listing:

The Issuer shall ensure the Issuer's shares remain listed at Oslo Børs

Definitions:

Equity Ratio means the ratio of Equity to Total Assets.

Equity means the consolidated book value of the Group's total equity in accordance with IFRS

Total Assets means the consolidated book value of the Group's total assets in accordance with IFRS.

Quarter Date: Each 31 March, 30 June, 30 September and 31 December.

Group means the Issuer and the Subsidiaries, and a *Group Company* means the issuer or any of the Subsidiaries.

Subsidiary means an entity over which another entity or person has a determining influence due to i) direct or indirect ownership of shares or other ownership interests, and/or ii) agreement, understanding or other arrangement. An entity shall always be considered to be the subsidiary of another entity or person if such entity or person has such number of shares or ownership interests so as to represent the majority of the votes in the entity, or has the right to vote out a majority of the directors in the entity.

Material Adverse Effect means a material adverse effect on: (a) the business, financial condition or operations of the Issuer and/or the Group taken as a whole, (b) the Issuer's ability to perform and comply with its obligations under the Bond Agreement; or 8c) the validity or enforceability of the Bond Agreement.

Supplementary information about the status of the loan: ¹⁰⁾

The Bonds shall be senior debt 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.

Standard Terms:

Loan Agreement: ¹⁾

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

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:

Payment of the First Tranche / Loan Amount takes place on the Disbursement

3)	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, and will fall under the regulations set out in "emisjonsforskriften av 20. desember 1996".
Interest Determination Date: ⁷⁾	2 Business Days prior to Date of Interest Payment Date
Interest Determination: ⁶⁾⁷⁾	<p>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.</p> <p>Should NIBOR not be available, the interest rate is set based on NIBOR Reference Banks plus Margin. The new interest rate and the next interest term/period will be notified the Bondholders in writing through the Securities Depository. The Trustee and Oslo ABM shall also be notified immediately.</p> <p>If any discrepancy should occur between the Issuer and the Trustee regarding change of page, or if the interest rate is set in accordance with NIBOR-reference banks, the Issuer or the Bondholders who represents minimum 1/10 of Outstanding Loan may appeal against the Interest Determination. Such an appeal must be presented in writing to the Trustee no later than 20 Business days after the bondholders being informed of the interest rate. The appeal will be dealt with by a committee comprising three members, of which one representative is nominated by the Issuer, one representative is nominated by the Trustee and a chairman agreed by the representatives of the two parties. If the parties cannot agree upon a chairman, this person will be nominated by Lord Chief Justice of the City of Oslo Magistrates Court. The decision made by the committee is final.</p> <p>The notification of the complaint together with the final determination of the interest rate shall be forwarded to the Bondholders through the Securities Depository. If a complaint is made, the current notification shall also be forwarded to Oslo ABM.</p>
NIBOR – definition: ⁵⁾	<p>The interest rate, rounded to the nearest hundredth percentage points, for an equivalent time period as mentioned under NIBOR that is quoted on the Reuters page NIBR at 12 p.m. in Oslo on the Interest Determination Date.</p> <p>Should the content of the Reuters page NIBR be changed such that the quoted interest rate is not representing, according to the Trustee and the Issuer, the same interest rate as at the time of disbursement or if the page in question is removed from the Reuters system, another page on Reuters shall be used. A page from another electronic news agency that gives the same interest rate as Reuters' page NIBR did at disbursement date can also be used if the Trustee and the Issuer agree upon this.</p>
NIBOR – reference banks:	The interest rate fixed on basis of the interest on deposits in the inter-bank market in Oslo quoted by the 4 largest authorised exchange banks in the Norwegian market at approximately 12 p.m. in Oslo on the Interest Determination Date for a period as mentioned in NIBOR that starts on the Interest Determination Date and is valid for a comparable amount. The Trustee shall ask the head office of each bank to quote such an interest rate. If two or more quotes are given, the interest rate shall be fixed to the arithmetic mean of the quotes. If less than two quotes are given, the interest rate shall be set to the arithmetic mean of the interest rates quoted by banks selected by the Trustee approximately 12 p.m. in Oslo on the Interest Determination Date for loans in NOK to leading banks in Europe for a time period as mentioned in NIBOR which starts on the date of which the interest rate is set valid for a comparable amount. An interest rate determined by calculation of the arithmetic mean is rounded to the nearest hundredth percentage points.
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 Oslo 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.



Storebø/Oslo, 13 October 2010

